

Santiago Martínez Garrido
General secretary and secretary of the Board of Directors

Bilbao, 20 March 2026

To the National Securities Market Commission

Other relevant information

Publication of the announcement of the call to the 2026 General Shareholders' Meeting and of the documentation made available to the shareholders

Pursuant to article 227 of Act 6/2023, of March 17, of the *Securities Markets and Investment Services (Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión)* and related provisions, and in continuation of our notice of other relevant information dated 17 March 2026 (record number 39759), attached is the announcement of the call to the General Shareholders' Meeting of Iberdrola, S.A. (the "**Company**"), which in all likelihood will be held on Friday 29 May 2026, on first call, with the agenda set forth in the aforementioned notice.

Said announcement of the call to meeting is published today in the Official Bulletin of the Commercial Registry (*Boletín Oficial del Registro Mercantil*) and on the Company's corporate website (www.iberdrola.com), where it shall be continuously accessible until at least the holding of the General Shareholders' Meeting.

Also attached are the proposed resolutions and reports of the Board of Directors in relation to the various items on the agenda for said General Shareholders' Meeting. These proposed resolutions and reports of the Board of Directors, together with the other documents relating to the General Shareholders' Meeting, will be available to the shareholders at the registered office and on the corporate website of the Company (www.iberdrola.com), on the terms set out in the announcement of the call to meeting.

This information is provided to you for the appropriate purposes.

General secretary and secretary of the Board of Directors

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Print in black and white, and only if necessary.



General Shareholders' Meeting

29 May 2026



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Announcement of the call to meeting

Call to the General Shareholders' Meeting of "Iberdrola, S.A."

The Board of Directors of "Iberdrola, S.A." has resolved to call a General Shareholders' Meeting, in accordance with the provisions of the Spanish "Companies Act" (*Ley de Sociedades de Capital*) and of the "By-Laws".

Holding of the Meeting

The meeting is called to be held in person and by remote means for Friday 29 May 2026, at 10:30 a.m. (first call), and the next day at the same time (second call), although it is expected to be held on first call.

All shareholders having at least one share registered in their name on 22 May 2026, or the proxy representatives thereof, may attend in person at the registered office (Bilbao, plaza Euskadi, 5) or remotely through the corporate website ([go to the Company's website \[opens in new window\]](#)), as well as cast an absentee vote before the meeting.

Descriptions of how to reserve seats for those attending in person and how to register remote attendees are included below.

Facilities and incentives

The Company calls the Meeting more than two months in advance, providing all necessary information and multiple channels for participation as from the publication of this announcement, and also offering the following incentives:

- **Engagement dividend** of €0.005 (gross) per share for all shareholders with the right to participate, subject to the quorum reaching 70% of the share capital and the shareholders approving the payment thereof.
- **Prize draw for 30 e-bikes** among individual shareholders who grant a proxy or cast an absentee vote through the corporate website or the telephone channel before 29 May 2026.
- **Commemorative gift** for those who participate before the Meeting and visit the shareholder information desks to collect it.

Agenda

Management results and statutory audit

1. Annual **financial statements** 2025.
2. **Directors' reports** 2025.

3. Statement of **non-financial information** – sustainability report 2025.
4. **Corporate management and activities** of the Board of Directors in 2025.
5. **Statutory auditor**.
 - 5.1. Re-election of “KPMG Auditores, S.L.” as statutory auditor of the Company and its consolidated group for financial year 2026.
 - 5.2. Appointment of “PricewaterhouseCoopers Auditores, S.L.” as statutory auditor of the Company and its consolidated group for financial years 2027 to 2029.

Remuneration

6. **Engagement dividend**: approval and payment.
7. **Allocation of profits and dividend for 2025**: approval and supplementary payment, which will be made within the framework of the “Iberdrola Retribución Flexible” optional dividend system.
8. **First increase in capital** by means of a scrip issue at a maximum reference market value of €3,150 million in order to implement the “Iberdrola Retribución Flexible” optional dividend system.
9. **Second increase in capital** by means of a scrip issue at a maximum reference market value of €2,150 million in order to implement the “Iberdrola Retribución Flexible” optional dividend system.
10. **Reduction in capital** linked to the “Iberdrola Retribución Flexible” optional dividend system.
 - 10.1. Reduction in capital by means of the retirement of a maximum of 182,845,603 own shares (2.706% of the share capital).
 - 10.2. Reclassification of reserves from amortised capital to voluntary reserves.
11. **Consultative vote** on the “Annual Report on Remuneration of Directors and Officers 2025”.
12. The 2026-2028 “**Transformational LTIP**”, aimed at professionals across the companies of the Iberdrola Group, is linked to the Company’s performance during the 2026–2028 period and will be paid on a deferred basis in instalments via the delivery of shares.
13. “**Director and Officer Remuneration Policy**”.

Board of Directors

14. Re-election of Ms **María Ángeles Alcalá Díaz** as an independent director.
15. Re-election of Ms **Isabel García Tejerina** as an independent director.
16. Re-election of Mr **Anthony L. Gardner** as an independent director.

17. Ratification and re-election of Ms **Marina Freitas Gonçalves de Araújo Grossi** as an independent director.
18. Ratification and re-election of Mr **Pedro Azagra Blázquez** as an executive director.
19. Setting of the number of members of the Board of Directors at fourteen.

Approval and delegation of powers

20. Authorisation to **acquire own shares**.
21. **Delegation of powers** to formalise and to convert the resolutions adopted into a public instrument.

Documentation of the Meeting

Notice is given of the shareholders' right to consult at the registered office and to request the free delivery or dispatch of the **legally required documentation**, including the annual financial statements and directors' reports and statement of non-financial information – sustainability report, together with the corresponding audit and assurance reports, as well as the proposed resolutions and reports of the Board of Directors and of the committees thereof.

The shareholders may also access all of the information made available to them to facilitate their participation in the Meeting through the **corporate website** ([go to the Company's website \[opens in new window\]](#)), including information regarding the exercise of shareholder rights as well as regarding the reduction and increases in share capital and the amendments to the "Regulations of the Board of Directors" made since the last Meeting.

Participation prior to the Meeting

Shareholders may, directly or through their proxy representatives, grant their proxy or cast an absentee vote through the following channels or the depositaries:

- **Corporate website:** [Go to the Company's website \[opens in new window\]](#).
- **Shareholders' telephone line:** 900 100 019 (free phone).
- **Shareholder information desks** at the places, on the dates and at the times to be announced on the corporate website.
- **Post:** sending the proxy and absentee voting card to the Company by post (apartado de correos número 1.113, 48080 Bilbao) or an image of the card by e-mail ([go to e-mail address for the Shareholders' Meeting \[opens new window in Outlook\]](#)).
- **Instant messenger:** sending an image of the proxy and absentee voting card to the Company by WhatsApp (+34 682 333 782) or by Telegram ([go to the Telegram group for the Shareholders' Meeting \[opens in new window\]](#)).

The key dates for participation are set forth below:

- **20 March:** launch of applications on the corporate website to grant proxies and cast absentee votes, register to attend remotely, or reserve a seat to attend in person.
- **25 March:** end of period to request the publication of a supplement to the call to meeting and to submit well-founded proposed resolutions.
- **24 May:** end of the period to exercise the legally recognised right to information prior to the Meeting and launch of the application on the corporate website for the remote submission of presentations and proposed resolutions.
- **28 May:** end of period to cast an absentee vote and grant a proxy prior to the Meeting if, as expected, it is held on first call (if held on second call, the period would end on the next day).

Attendance at the Meeting

Shareholders and their proxy representatives may attend:

- **Remotely**, for which purpose they must register on the corporate website between 08:00 a.m. and 09:45 a.m. on the day the Meeting is held, and may authenticate themselves in advance in order to expedite their registration. Registered attendees who have expressed their desire to make a presentation or to propose resolutions must send the text thereof before 10:30 a.m. on the day of the meeting.
- **In person**, for which purpose they must register to reserve a seat through the Shareholder's Office or the corporate website before 09:45 a.m. on the day the Meeting is held. At this time the doors to the premises will open for those with assigned seats to be able to access the meeting.

The meeting will be held in the **presence of a notary**, who will prepare the minutes of the Meeting, and it will be broadcast through the corporate website.

Channels of information and engagement

For purposes of the call to the Meeting, the Company strengthens and expands the existing means for permanent dialogue with shareholders and investors, including the following channels:

- Telephone (900 100 019) and e-mail of the **Shareholder's Office** ([go to the Shareholder's Office e-mail address \[opens in new window in Outlook\]](#)).
- **OLS Shareholder's Club** interactive application, which all holders of the Company's shares can join via the corporate website ([go to the OLS Shareholder's Club website \[opens in new window\]](#)).
- **Investor Relations Office** email address for enquiries from institutional investors and proxy advisors ([go to the Investor Relations Office e-mail address \[opens in new window in Outlook\]](#)).
- **Virtual Shareholder Assistant (AVA)** for all users of the corporate website and of the "Iberdrola Investors" App ([go to the AVA website \[opens in new window\]](#)).

The Company also promotes the ongoing engagement of the shareholders, for which reason it will continue organising **in-person events and meetings** to be announced through the **engagement space** available on the corporate website, at which means to participate in the Meeting may be provided.

In Bilbao, on 17 March 2026.

General Secretary and Secretary of the Board of Directors.

Personal data protection

Pursuant to the “General Data Protection Regulation” and “Organic Law 3/2018, of 5 December, on the Protection of Personal Data and guarantee of digital rights” (*Ley Orgánica 3/2018, de 5 diciembre, de Protección de Datos Personales y garantía de los derechos digitales*), “Iberdrola, S.A.” (the “Company”), with an address at Plaza Euskadi, 5, Bilbao, and holding Tax Identification Number (N.I.F.) A-48010615, is the controller of the personal data of the shareholders and their proxy representatives provided thereby or by the depositaries of the shares.

The purposes of such processing are: (i) to manage the Meeting; (ii) to comply with, and if applicable verify compliance with, the obligations set out in the Governance and Sustainability System related to the holding of the Meeting, (iii) to apply the corporate policies to encourage transparency and the Company’s direct contact with shareholders to foster their engagement, including the payment of financial incentives to participate in the Meeting, the provision of information regarding the prize draw to be held among shareholders who choose to register in accordance with the announcement of the call to meeting and the “Implementing Rules for the General Shareholders’ Meeting”, and the subsequent administration of the draw; (iv) to perform analyses and prepare reports to optimise the management of the Meeting; and (v) to record and broadcast the Meeting.

The legal basis for purpose (i) is to comply with the legal obligations set out in the Spanish “Companies Act” (*Ley de Sociedades de Capital*) and for purposes (ii), (iii), (iv) and (v), it is the legitimate interest of the Company in holding a Meeting that fully conforms to its Governance and Sustainability System and the rest of its internal rules, including its policies on transparency, shareholder engagement and the encouragement of their participation in the Meeting, as well as ensuring the observance and full satisfaction of shareholder rights and adopting measures favouring the achievement of those objectives.

These personal data will be communicated to the notary who takes the minutes of the Meeting in accordance with the legal provisions governing joint-stock companies (*sociedades de capital*) and in compliance with the provisions of the “Regulations of the Commercial Registry” and the “Regulations for the General Shareholders’ Meeting”. They may also be provided to other shareholders in the exercise of their right to receive information as provided by said provisions, but in no event will they be transferred outside of the European Economic Area. Moreover, in order to perform certain tasks relating to the purposes described above, like verifying the proper development of the Meeting in accordance with applicable procedures and compliance with the obligations related to the holding thereof, as well as preparing statistical information, the Company will hire third-party service providers that will have access to personal data within the framework of these tasks but those data may not be used for any other purpose. These entities will be personal data processors by virtue of the contracts that the Company will sign with them in accordance with the provisions of applicable law.

The rights of access, rectification, objection, erasure and restriction of processing and any other rights applicable in accordance with prevailing data protection laws may be exercised in accordance with the provisions of the “Implementing Rules for the General Shareholders’ Meeting” available on the corporate website ([go to the Company’s website \[opens in new window\]](#)), by letter addressed to the Shareholder’s Office (address: plaza Euskadi, número 5, 48009 Bilbao) and at the e-mail address [go to the Shareholder’s Office e-mail address \[opens new window in Outlook\]](#). More detailed information may also be viewed regarding the processing of personal data and the Company’s Data Protection Officer ([go to Data Protection Officer’s email address \[opens new window in Outlook\]](#)).



General Shareholders' Meeting

29 May 2026



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Proposed resolutions

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ITEM 1 ON THE AGENDA

Annual financial statements 2025.

RESOLUTION

To approve the separate annual financial statements of "Iberdrola, S.A." (balance sheet, profit and loss account, statement of changes in shareholders' equity, statement of cash flows and notes) and the annual financial statements of the Company consolidated with those of its subsidiaries (consolidated statement of financial position, consolidated statement of profit and loss, consolidated statement of overall profit and loss, consolidated statement of changes in shareholders' equity, consolidated statement of cash flows and consolidated notes) for the financial year ended on 31 December 2025, formulated by the Board of Directors at its meeting held on 24 February 2026.

ITEM 2 ON THE AGENDA

Directors' reports 2025.

RESOLUTION

To approve the separate directors' report of "Iberdrola, S.A." and the directors' report of "Iberdrola, S.A." consolidated with that of its subsidiaries for the financial year ended on 31 December 2025, formulated by the Board of Directors at its meeting held on 24 February 2026.

ITEM 3 ON THE AGENDA

Statement of non-financial information – sustainability report 2025.

RESOLUTION

To approve the "Consolidated Statement of Non-Financial Information (SNFI) and Sustainability Report" of "Iberdrola, S.A." with its subsidiaries for the financial year ended on 31 December 2025, formulated by the Board of Directors at its meeting held on 24 February 2026.

ITEM 4 ON THE AGENDA

Corporate management and activities of the Board of Directors in 2025.

RESOLUTION

To approve the management of the Company and the activities of the Board of Directors of "Iberdrola, S.A." during the financial year ended on 31 December 2025.

ITEM 5 ON THE AGENDA

Statutory auditor.

ITEM 5.1 ON THE AGENDA

Re-election of “KPMG Auditores, S.L.” as statutory auditor of the Company and its consolidated group for financial year 2026.

RESOLUTION

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 year 2026, and to delegate to the Board of Directors, with express power of substitution, the power to enter into the corresponding services agreement, with the clauses and conditions it deems appropriate, which includes the power to make in said agreement such changes as may be required in accordance with the law from time to time in effect.

This resolution is submitted by the Board of Directors for the approval of the shareholders at the General Shareholders' Meeting upon a prior proposal of the Audit and Risk Supervision Committee.

“KPMG Auditores, S.L.” has its registered office in Madrid, at Paseo de la Castellana, número 259 C, and holds tax identification number B-78510153 and IRUS (Unique Company Reference Index) number 1000240144648. It is registered under number S0702 in the Official Register of Account Auditors of the Instituto de Contabilidad y Auditoría de Cuentas and in the Commercial Registry of Madrid at sheet M-188.007.

ITEM 5.2 ON THE AGENDA

Appointment of “PricewaterhouseCoopers Auditores, S.L.” as statutory auditor of the Company and its consolidated group for financial years 2027 to 2029.

To appoint “PricewaterhouseCoopers Auditores, S.L.” as statutory auditor of “Iberdrola, S.A.” and its consolidated group in order to carry out the audit for financial years 2027 to 2029, and to delegate to the Board of Directors, with express power of substitution, the power to enter into the corresponding services agreement, with the clauses and conditions it deems appropriate, which includes the power to make in said agreement such changes as may be required in accordance with the law from time to time in effect.

This resolution is submitted by the Board of Directors for the approval of the shareholders at the General Shareholders' Meeting upon a prior proposal of the Audit and Risk Supervision Committee.

“PricewaterhouseCoopers Auditores, S.L.” has its registered office in Madrid, at Paseo de la Castellana, número 259 B, Torre PWC, and holds tax identification number B-79031290 and IRUS (Unique Company Reference Index) number 1000240827034. It is registered under number S0242 in the Official Register of

Account Auditors of the Instituto de Contabilidad y Auditoría de Cuentas and in the Commercial Registry of Madrid at sheet M-63.988.

ITEM 6 ON THE AGENDA

Engagement dividend: approval and payment.

RESOLUTION

To approve the payment, as a shareholder engagement dividend linked to participation in the General Shareholders' Meeting, of a cash dividend, to be charged to unrestricted reserves, of €0.005 (gross) per outstanding share of "Iberdrola, S.A." (the "**Company**"), subject to the quorum for this General Meeting reaching 70% of the share capital of the Company (the "**Engagement Dividend**").

If the condition established for the payment of the Engagement Dividend is fulfilled, payment thereof will be made as from 1 June 2026 to those with shares of the Company registered in their name in the book-entry registers of "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A." (Sociedad Unipersonal) (IBERCLEAR) on 22 May 2026 (the "record date").

The withholding required by legal provisions in effect at any given time shall be made from the gross amounts paid.

To delegate to the Board of Directors, with express power of substitution, the power to deem the condition precedent relating to the minimum quorum to which the Engagement Dividend is subject to have been met, and therefore to proceed with the payment thereof on the date set forth above if it finds that, even though the quorum of 70% of the Company's share capital for this General Shareholders' Meeting has not been met, the participation of the shareholders in these proceedings has been sufficient to consider, in its opinion, that the goals sought with this instrument to encourage the engagement of the shareholders in the life of the Company have been met, as well as to make all decisions and take all actions necessary or advisable for the payment of the Engagement Dividend, including, in particular and without limitation, setting the terms and conditions of the payment as to all matters not previously provided for, appointing the entity that is to act as payment agent, and signing the corresponding contract under the terms and conditions it deems appropriate, setting up the current accounts for this purpose, making the appropriate communications and notifications, and generally taking any other action necessary or advisable for the successful completion of said payment.

ITEM 7 ON THE AGENDA

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

RESOLUTION

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

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

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

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

- (1) The “**Total Interim Dividend**”, amounting to €275,288,489.64, which was paid on account of the dividend for financial year 2025 on 2 February 2026 to the holders of 1,088,096,797 shares of “Iberdrola, S.A.” (the “**Company**”) who, within the framework of the second implementation of the “Iberdrola Retribución Flexible” optional dividend system for financial year 2025, elected to receive their remuneration in cash by collecting an amount of €0.253 (gross) per share.
- (2) The “**Total Supplementary Dividend**”, which is the determinable amount that will be the sum of the items identified in sub-sections (a) and (b) below:
 - (a) The amount resulting from multiplying:
 - (i) the gross amount per share to be paid by the Company as a supplementary dividend payment for financial year 2025 within the framework of the first

implementation of the “Iberdrola Retribución Flexible” optional dividend system for financial year 2026 (the “**Supplementary Dividend**”), and which will be as determined by the Company’s Board of Directors pursuant to the rules set forth in the section “Common terms and conditions of the dividend payment and increase in share capital resolutions proposed under items 7, 8 and 9 on the agenda pursuant to which the “Iberdrola Retribución Flexible” optional dividend system is implemented” (the “**Common Terms**”); by

- (ii) the total number of shares with respect to which the holders thereof have elected to receive the Supplementary Dividend within the framework of the first implementation of the “Iberdrola Retribución Flexible” optional dividend system for financial year 2026.
- (b) If the Adjustment Dividend is payable pursuant to the provisions of the Common Terms, the amount resulting from multiplying:
- (i) the gross amount per share that the Company would pay as an Adjustment Dividend within the framework of the first implementation of the “Iberdrola Retribución Flexible” optional dividend system for financial year 2026, which shall be determined by the Board of Directors (or the body acting by delegation therefrom) in accordance with the provisions of the Common Terms; by
 - (ii) the total number of outstanding shares of the Company on the record date of the first edition of the “Iberdrola Retribución Flexible” system for financial year 2026 (excluding shares held as treasury shares on such date, pursuant to the provisions of Section 148 of the “Companies Act”).

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

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

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

In accordance with the Common Terms, the collection of the Supplementary Dividend is one of the alternatives for shareholders in the first implementation of the “Iberdrola Retribución Flexible” system for 2026. As a result, it shall be deemed that the shareholders choosing to receive their remuneration in cash (in whole or in part) through the Supplementary Dividend expressly, automatically and irrevocably waive

the corresponding free-of-charge allocation rights. Therefore, they will not be able to transfer them on the market or receive the new shares corresponding to those free-of-charge allocation rights.

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

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

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

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

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

BASIS FOR DISTRIBUTION:

| | |
|--------------------------------------|---------------------------|
| Balance from prior financial years: | €13,680,345,916.15 |
| Profits for financial year 2025: | €1,931,449,154.49 |
| TOTAL BASIS FOR DISTRIBUTION: | €15,611,795,070.64 |

DISTRIBUTION:

| | |
|--------------------|---|
| To Legal Reserves: | €33,185,606.55 |
| To Dividend: | Amount pending determination, which will be the sum of: (a) the Total Interim Dividend; and (b) the Total Supplementary Dividend. |
| To remainder: | Determinable amount that will result from subtracting the amount allocated to Legal Reserves and to the Dividend from the total basis for distribution. |

TOTAL: €15,611,795,070.64

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

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

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

ITEM 8 ON THE AGENDA

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

RESOLUTION

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

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

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

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

ITEM 9 ON THE AGENDA

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

RESOLUTION

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

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

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

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

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

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

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

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

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

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

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

(the “**Adjustment Dividend**”). All shareholders who hold shares on the record date of the corresponding edition of the “Iberdrola Retribución Flexible” system will have the right to receive such payment. All of the foregoing is regardless of the remuneration option chosen. Pursuant to the provisions of Section 148 of the “Companies Act”, the Adjustment Dividend will not be paid to the shares held as treasury shares on the corresponding record date.

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

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

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

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

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

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

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

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

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

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

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

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

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

It is also stated for the record that the holders of free-of-charge allocation rights may only communicate their preferences (regarding the remuneration options) to the

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

2. Amount of the Dividends

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3. Purchase Commitment within the framework of the Second Implementation

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

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

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

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

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

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

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

4. Common characteristics of the Increases in Capital

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

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

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

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

Pursuant to the provisions of Section 311 of the “Companies Act”, the possibility of an incomplete allocation of the Increases in Capital is contemplated in the event that the Company, a company within its group, a shareholder or a third party waives all or part of the free-of-charge allocation rights to which they are entitled at the time of implementation of each of the Increases in Capital, for which reason, in the event of such waiver, the share capital shall be increased by the corresponding amount. For these purposes, it shall be deemed that those who have chosen to receive their remuneration in cash by means of collecting the Supplementary Dividend or the Interim Dividend, according to the relevant edition of the “Iberdrola Retribución Flexible” system, with respect to all or part of their shares, expressly, automatically

and irrevocably waive the free-of-charge allocation rights corresponding to said shares, upon the terms and conditions set forth herein.

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

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

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

where:

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

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

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

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

where:

$$\text{Provisional number of shares} = \text{Amount of the Option} / \text{ListPri.}$$

For these purposes, "**Amount of the Option**" shall mean the maximum reference market value of the relevant Increase in Capital to be set by the Board of Directors (with express power of substitution) and which shall not be greater than the amount referred to in the proposed Increase in Capital resolutions submitted for the approval of the shareholders at the General Shareholders' Meeting under items 8 and 9 on the agenda (i.e. €3,150 and €2,150 million, respectively). The Amount of the Option shall be set as closely as possible to the Target Dividend, such that the gross dividend per share is aligned with the Target Dividend. If - as a result of the rounding rules contained in the formulas referred to below - the resulting gross dividend per share is not aligned with the Target Dividend, the Amount of the Option will be the minimum amount which, having applied the foregoing formulas, is closest to the Target Dividend (without exceeding it) and the difference arising from rounding shall be offset against the payment of the Adjustment Dividend.

For its part, "**ListPri**" shall be the arithmetic mean of the average weighted listing prices of the Company's shares on the Madrid, Barcelona, Bilbao and Valencia Stock

Exchanges through the Automated Quotation System (*Sistema de Interconexión Bursátil*) (Continuous Market) for the five trading sessions determined by the Board of Directors (or the body acting by delegation therefrom) to set the number of free-of-charge allocation rights needed for the allocation of one New Share in the relevant Increase in Capital, rounding the result to the closest one-thousandth part of one euro.

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

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

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

(a) The Adjustment Dividend is not payable:

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

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

(b) The Adjustment Dividend is payable:

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

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

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

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

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

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

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

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

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

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

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

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

held as treasury shares on the record date of the corresponding edition of the “Iberdrola Retribución Flexible” system, in accordance with the provisions of Section 148 of the “Companies Act”.

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

4.2 Free-of-charge allocation rights

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

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

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

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

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

The free-of-charge allocation rights shall be transferable upon the same terms as the shares from which they derive and may be traded on the market during such term as is established by the Board of Directors (with express power of substitution) in implementing the relevant Increase in Capital, which term shall not be less than fourteen calendar days. During such term, a sufficient number of free-of-charge

allocation rights may be acquired on the market in the proportion required to receive New Shares. Notwithstanding the foregoing, the free-of-charge allocation rights acquired on the market during the trading period established for this purpose shall not give the acquiring party the right to choose to receive the corresponding Dividend (including any Adjustment Dividend), or, if applicable, to enforce the Purchase Commitment and receive the Fixed Purchase Price. Therefore, the new holders of these free-of-charge allocation rights may only monetise their investment through the sale thereof on the market during said trading period that has been activated for this purpose. Alternatively, they may choose to receive the fully paid-up New Shares to which they are entitled at the end of the aforementioned trading period.

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

- (a) receiving their remuneration in New Shares, in which case, at the end of the period for trading the free-of-charge allocation rights, they shall be allocated the New Shares to which they are entitled pursuant to the terms and conditions of the implementation of the Increase in Capital in question;
- (b) transferring all or part of their free-of-charge allocation rights on the market, in which case the consideration that the holders of free-of-charge allocation rights will receive for the sale thereof will depend on market conditions in general and on the listing price of said rights in particular; or
- (c) only during the Common Election Period determined by the Board of Directors (with express power of substitution) and exclusively in favour of those originally allocated the free-of-charge allocation rights, receiving their remuneration in cash by collecting the Supplementary Dividend or the Interim Dividend, as applicable (or, if applicable, by collecting the Fixed Purchase Price), for which purpose the shareholders shall be required to make an express election in this regard. The shareholders may choose to receive their cash remuneration with respect to all or part of their shares.

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

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

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

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

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

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

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

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

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

4.4 Representation of the New Shares

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

4.5 Rights attaching to the New Shares

As from the date on which the relevant Increase in Capital is declared to be subscribed and paid up, the New Shares shall grant the holders thereof the same

financial, voting and like rights as the ordinary shares of the Company then outstanding.

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

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

4.6 New Shares that cannot be allocated to their holders

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

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

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

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

4.7 Application for admission to trading

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

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

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

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

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

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

Specifically, the Board of Directors (with express power of substitution) shall analyse and take into account the market conditions, the circumstances of the Company itself

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

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

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

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

Retribución Flexible” system, in accordance with the provisions of Section 148 of the “Companies Act”.

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

6. Delegation to carry out each of the Implementations

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

- (a) To set the date on which each of the Implementations must be carried out, which shall in any case be within a period of one year from the approval of this resolution, and to determine the specific schedule for each of the Implementations.
- (b) To analyse whether the Adjustment Dividend is payable with respect to each of the Implementations, applying the rules established by this resolution for such purpose.
- (c) As regards each of the Implementations, to set the Target Dividend, the Amount of the Option subject to the aforementioned criteria with respect to the Target Dividend, the amount of the Supplementary Dividend (in the case of the First Implementation), the amount of any Adjustment Dividend, the number of New Shares and the number of free-of-charge allocation rights necessary for the allocation of one New Share, applying the rules established by this resolution for such purpose.
- (d) To determine the reserve(s), among those contemplated in this resolution, with a charge to which each of the Increases in Capital will be implemented.
- (e) To designate the company or companies that will assume the duties of agent and/or financial adviser in connection with each of the Implementations, and sign all required contracts and documents for such purpose. In particular, to appoint the entity that must act as paying agent in each of the Dividend Payments.
- (f) To determine the five trading sessions that will be used to set the “ListPri”; as well as to perform the mathematical calculations provided for in this resolution and thus to calculate and set the “ListPri”, which shall be the arithmetic mean of the average weighted listing prices of the Company’s shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Automated Quotation System (*Sistema de Interconexión Bursátil*) (Continuous Market) during said five trading sessions.
- (g) To set the duration of the periods for trading the free-of-charge allocation rights corresponding to each of the Increases in Capital.

- (h) As regards each of the Implementations, to set the specific duration of the Common Election Period and the terms and conditions under which the shareholders may state their preferences regarding the receipt of their remuneration (in cash or in New Shares).
- (i) After the Common Election Period for each Implementation has ended, to determine the aggregate gross amount in euros corresponding to the Dividend Payment in question, to set the specific date for the payment thereof, and to make payment thereof through the participants in IBERCLEAR, taking all the steps that may be required or appropriate for the successful completion of the Dividend Payment.
- (j) To determine, if applicable, the aggregate gross amount in euros corresponding to the payment of the Adjustment Dividend, to set the specific date for the payment thereof, and to make payment thereof through the participants in IBERCLEAR, taking all the steps that may be required or appropriate for the successful completion of such payment.
- (k) To declare the Increases in Capital to be closed and implemented, for such purpose setting the number of New Shares actually allocated in each of them, and therefore the amount by which the Company's share capital must be increased in accordance with the rules established by the shareholders at this General Shareholders' Meeting, as well as declare, if applicable, the existence of an incomplete allocation of each of the Increases in Capital.
- (l) To rescind the resolution on payment of the corresponding Dividend with respect to the amounts that were not paid to those shareholders who elected (expressly or implicitly) to receive New Shares.
- (m) To rescind the resolution on payment of the Adjustment Dividend because: (i) it is not applicable, in accordance with the rules and criteria set out herein; or (ii) the Board of Directors refrains from carrying out one or both of the Implementations.
- (n) In the case of the First Implementation, to determine the aggregate total amount to be paid as a dividend with a charge to the results for the financial year ended 31 December 2025 pursuant to the provisions of item 7 on the agenda (i.e. the amount of the Total Supplementary Dividend and, if applicable, the Adjustment Dividend), to specify, in view of said amount, the amount of the total basis for distribution established in said item on the agenda to be allocated to remainder, and to complete the resulting proposed allocation of profits and payment of the dividend for financial year 2025.
- (o) In the case of the First Implementation and if the Board of Directors (with express power of substitution) does not deem it appropriate to implement it, in whole or in part, during said period, to determine the aggregate total amount that has been paid as a dividend with a charge to the results for the financial year ended 31 December 2025 (which shall be equal to the total amount paid on account of the dividend for said financial year), to specify the amount of the total basis for distribution established in said item on the agenda to be

allocated to remainder, and to complete the resulting proposed allocation of profits and payment of the dividend for financial year 2025.

- (p) To amend the article of the “By-Laws” setting the share capital such that it reflects the amount of capital and the number of outstanding shares resulting from the implementation of the relevant Increase in Capital.
- (q) To waive, if appropriate, and in each of the Increases in Capital, free-of-charge allocation rights to subscribe New Shares for the sole purpose of facilitating that the number of New Shares be a whole number and not a fraction, as well as any free-of-charge allocation rights allocated to shares of the Company that have been retired prior to the date of implementation of the corresponding Increase in Capital if said shares have not yet been removed from the book-entry registers of IBERCLEAR because the corresponding public instrument formalising the implementation of the resolution approving the reduction in share capital, the approval of which is submitted to the shareholders at the General Shareholders' Meeting under item 10.1 on the agenda, has not yet been executed or is still pending registration.
- (r) If the Purchase Commitment must be honoured within the framework of the Second Implementation due to the Requirements for the payment of the Interim Dividend not having been met, to determine the acquisition by the Company of the corresponding free-of-charge allocation rights, set the period of time during which the Purchase Commitment will be in effect (within the limits established in the resolutions), determine the Fixed Purchase Price (which may not exceed the Target Dividend, and must therefore be aligned therewith) and the amount of any Adjustment Dividend, honour the Purchase Commitment by paying the corresponding amounts to the shareholders who have accepted said commitment, waive the free-of-charge allocation rights owned by the Company at the end of the trading period of the Second Implementation as a result of the Purchase Commitment, and thus the New Shares corresponding to such rights, and take any other measures or actions needed to fully honour the Purchase Commitment.
- (s) To take all steps required for the New Shares to be included in the book-entry registers of IBERCLEAR and admitted to trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges through the Automated Quotation System (Continuous Market) after each of the Increases in Capital.
- (t) To take any actions that are necessary or appropriate to implement and formalise each of the Increases in Capital before any Spanish or foreign public or private entities or agencies, including acts for purposes of representation, supplementation, or correction of defects or omissions that might prevent or hinder the full effectiveness of the foregoing resolutions.
- (u) To approve and implement such technical or other mechanisms as IBERCLEAR and the IBERCLEAR participants may deem necessary or appropriate in order to make any corresponding payment on account in relation to the Dividends.

- (v) To perform any acts that may be necessary in connection with the procedures described in Section 4.6 above regarding the New Shares that cannot be allocated to their holders for reasons not attributable to the Company.

7. Sample calculations relating to the First Implementation

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

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

Solely for the purposes of this example:

- The Target Dividend is €0.427 (gross) per share.
- The Amount of the Option is €2,877 million.
- The TNShrs. is 6,575,000,000⁴.
- A ListPri of €18.809 is assumed (this listing price of the Company's shares has been taken solely for the purposes of this example, as the Adjustment Dividend is not payable when the corresponding formulas are applied).

Therefore:

| | |
|--|---|
| Provisional number of shares = Amount of the Option / ListPri | $2,877,000,000.00 / 18.809 =$ $152,958,689.988835 \approx 152,958,689$ shares (rounded downwards) |
|--|---|

⁴ For purposes of this example, it is assumed that this would be the total number of shares of the Company outstanding after the implementation of the reduction in share capital provided for in the resolution corresponding to item 10.1 on the agenda if it is implemented in the total maximum amount thereof (i.e. 6,575,000,000 outstanding shares of the Company).

| | |
|--|---|
| Num. rights = TNShrs. / Provisional number of shares | $6,575,000,000 / 152,958,689 = 42.9854625649936000 \approx 43$ rights (rounded upwards) |
| NNS = TNShrs. / Num. rights | $6,575,000,000 / 43 = 152,906,976.744186 \approx 152,906,976$ shares (rounded downwards) |
| Dividend = ListPri / (Num. rights + 1) | $18.809 / (43 + 1) = \text{€}0.427$ |
| Target Dividend = Dividend | $\text{€}0.427 = \text{€}0.427$ |

Therefore:

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

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

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

in exercise of the power delegated by the shareholders at the General Shareholders' Meeting).

Solely for the purposes of this example:

- The Target Dividend is €0.427 (gross) per share.
- The Amount of the Option is €2,924 million.
- The TNShrs. is 6,575,000,000⁵.
- A ListPri of €19.120 is assumed (solely for the purposes of this example, the listing price of the Company's shares at the closing of the trading session of 9 March 2026 has been used as a reference, since the application of the corresponding formulas means the Adjustment Dividend is also payable).

Therefore:

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

As a result of this calculation, the conclusion in this example is that the Supplementary Dividend is greater than the Target Dividend (and is therefore not aligned therewith), meaning that the Adjustment Dividend would be payable. As a result, it would be necessary to set a new Amount of the Option that, being lower than the previous one and in the minimum amount, would make it possible (having

⁵ For purposes of this example, it is assumed that this would be the total number of shares of the Company outstanding after the implementation of the reduction in share capital provided for in the resolution corresponding to item 10.1 on the agenda if it is implemented in the total maximum amount thereof (i.e. 6,575,000,000 outstanding shares of the Company).

applied the calculation formulas) to be as close as possible to the Target Dividend (without exceeding it), and any difference resulting from rounding would be offset through the payment of the Adjustment Dividend, all in accordance with the provisions of Section 4.1 above. Pursuant to the foregoing, this example would proceed on the following terms:

- The Target Dividend remains €0.427 (gross) per share.
- The Amount of the Option becomes €2,858 million (this is the minimum amount that, when the calculation formulas are applied, would make it possible to be as close as possible to the Target Dividend without exceeding it).
- The TNShrs. remains 6,575,000,000⁶.
- A ListPri of €19.120 continues to be assumed (solely for the purposes of this example, the listing price of the Company's shares at the closing of the trading session of 9 March 2026 has been used as a reference).

Therefore:

| | |
|--|---|
| Provisional number of shares = Amount of the Option / ListPri | $2,858,000,000.00 / 19.120 =$ $149,476,987.447699 \approx 149,476,987$ shares (rounded downwards) |
| Num. rights = TNShrs. / Provisional number of shares | $6,575,000,000 / 149,476,987 =$ $43.9867041205480000 \approx 44$ rights (rounded upwards) |
| NNS = TNShrs. / Num. rights | $6,575,000,000 / 44 = 149,431,818.181818$ $\approx 149,431,818$ shares (rounded downwards) |
| Supplementary Dividend = [ListPri / (Num. rights +1)] | $[19.120 / (44 + 1)] = €0.425$ |

| | |
|---|---|
| Adjustment Dividend ⁷ = Target Dividend – [ListPri / (Num. rights +1)] | $€0.427 - [19.120 / (44 + 1)] = €0.002$ |
| Dividend ⁸ = [ListPri / (Num. rights +1)] + Adjustment Dividend | $[19.120 / (44 + 1)] + 0.002 = €0.427$ |
| Target Dividend = Dividend | $€0.427 = €0.427$ |

Therefore:

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

⁷ The same result is achieved by performing the following calculation: Adjustment Dividend = Target Dividend – Supplementary Dividend.

⁸ The same result is achieved by performing the following calculation: Dividend = Supplementary Dividend + Adjustment Dividend.

ITEM 10 ON THE AGENDA

Reduction in capital linked to the “Iberdrola Retribución Flexible” optional dividend system.

ITEM 10.1 ON THE AGENDA

Reduction in capital by means of the retirement of a maximum of 182,845,603 own shares (2.706% of the share capital).

RESOLUTION

1. Reduction in share capital by means of the retirement of own shares

To reduce the share capital of “Iberdrola, S.A.” (the “**Company**”), on one or more occasions, by a maximum of €137,134,202.25 through the retirement of a maximum of 182,845,603 own shares, each with a nominal value of €0.75, representing not more than 2.706% of the share capital at the time of approval of the corresponding resolution by the shareholders at the General Shareholders' Meeting.

Each of the reductions in capital implemented under this resolution shall be referred to as a “**Reduction**”. In turn, the total of all the reductions in capital ultimately implemented under and during the effective term of this resolution shall be referred to as the “**Reduction in Capital**”.

Subject to the following, the Reduction in Capital shall be implemented by means of:

- (a) The acquisition of shares for their retirement through:
 - (i) the potential implementation of a programme for the buy-back of own shares, targeted at all the shareholders, approved by the Board of Directors at its meeting held on 17 March⁹ 2026 (the “**Buy-back Programme**”), which will possibly be launched following the call to the General Shareholders' Meeting, provided that the Board of Directors deems its launch appropriate; and
 - (ii) the settlement of certain derivatives on own shares acquired by the Company prior to the date on which the Board of Directors (or the body acting by delegation therefrom) launches the Buy-back Programme (the “**Settlement of Derivatives**”).

⁹ Pursuant to: (i) “Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse” and “Commission Delegated Regulation (EU) No 2016/1052 of 8 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures” (the “**Regulations**”); and (ii) the authorisation granted by the shareholders at the General Shareholders' Meeting held on second call on 17 June 2022 under item 19 on the agenda.

- (b) The retirement of own shares in treasury following the close of the trading session on the day before the Board of Directors (or the body acting by delegation therefrom) launches the Buy-back Programme (the “**Treasury Shares**”).

Notwithstanding the foregoing, and provided it is in the corporate interest, the Reduction in Capital may also be implemented (without the need to launch the Buy-back Programme) through the retirement of own shares that have been acquired by the Company in accordance with applicable legal provisions and pursuant to: (i) the authorisation granted by the shareholders at the General Shareholders' Meeting of the Company held on second call on 17 June 2022 under item 19 on the agenda; and (ii) the authorisation submitted to the shareholders for approval at the General Shareholders' Meeting under item 20 on the agenda.

This flexibility when implementing the Reduction in Capital contributes to the proper achievement of the Company's corporate interest, insofar as it is appropriate for the Board of Directors to have available all necessary mechanisms to: (a) correctly implement any Buy-back Programme launched following the General Shareholders' Meeting; and/or (b) retire other own shares acquired through other legal mechanisms, with respect to both the launch of the Buy-back Programme and the effective retirement of acquired shares and the corresponding Reduction in Capital.

Without prejudice to the Board of Directors being granted greater flexibility with respect to the mechanisms to implement the Reduction in Capital, its object remains unalterable and coincides with the reductions in capital that the Company has been implementing each year since 2013. As a result, the purpose of the Reduction in Capital is still to maintain the number of outstanding shares of the Company used to calculate earnings per share at approximately 6,575 million. This figure represents an increase of 335 million shares compared to the number on which earnings per share have been calculated since financial year 2013 (6,240 million shares). Such increase is a result of the increase in share capital through cash contributions and excluding pre-emptive rights approved by the Company's Board of Directors at its meeting held on 22 July 2025, in exercise of the authorisation granted by the shareholders at the Company's General Shareholders' Meeting held on 17 May 2024 under item 20 of its agenda, which was formalised through two public deeds executed on 23 and 24 July 2025 before the notary of the Madrid Notarial Association Mr Miguel Ruiz-Gallardón García de la Rasilla, under numbers 3,850 and 3,866 of his notarial record, respectively, and registered in the Commercial Registry of Biscay.

The Reduction in Capital avoids the dilution of interests in the share capital caused by the issuance of new shares as a result of the increases in share capital by means of scrip issues that are submitted for the approval of the shareholders at the General Shareholders' Meeting under items 8 and 9 on the agenda and contributes to maintaining the earnings per share of the Company, all of which has a positive impact for the shareholders. The Reduction in Capital also operates as a formula for shareholder remuneration (an essential pillar for the Company) that supplements the “Iberdrola Retribución Flexible” optional dividend system, insofar as the retirement of own shares has a concentration effect on the value of the Company's shares inherent to the decreased number of outstanding shares, with the resulting increase in certain ratios per share.

Once the Board of Directors (or the body acting by delegation therefrom) has determined the corresponding final amount of the Reduction, Article 10 of the “By-Laws” setting the share capital would be amended such that it reflects the new amount of share capital and the new number of outstanding shares.

2. Launch of Buy-back Programme

In the event that the Board of Directors decides to launch the Buy-back Programme, its terms and conditions (including the setting of the maximum number of shares that can be acquired within the framework thereof, the decision to launch it in part or in full (or not to launch it) and its effective period), the maximum potential amount of the Settlement of Derivatives, and the final figures for the Treasury Shares and the corresponding Reduction in Capital shall be set by the Company's Board of Directors (with express power of substitution).

The Company shall communicate both the approval and any launch of the Buy-back Programme to the market by issuing the corresponding notices of other relevant information, which shall be published on the corporate website (www.iberdrola.com) and on the website of the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (www.cnmv.es).

In the event that conditions prevent or make inadvisable the full or partial implementation of the Buy-back Programme, including but not limited to supervening circumstances, market conditions, the Company's own situation or any socially or economically material event, the Board of Directors may not implement all or part of the Buy-back Programme, reporting such decision to the shareholders at the next ordinary General Shareholders' Meeting. In any event, in this case, the Reduction in Capital would be implemented through the retirement of own shares that have been acquired by the Company in accordance with applicable legal provisions and pursuant to: (i) the authorisation granted by the shareholders at the General Shareholders' Meeting of the Company held on second call on 17 June 2022 under item 19 on the agenda; and (ii) the authorisation submitted to the shareholders for approval at the General Shareholders' Meeting under item 20 on the agenda.

The Board of Directors may also interrupt or terminate in advance the implementation of the Buy-back Programme in the event that any reasons make it advisable or necessary to do so in the corporate interest.

3. Procedure for acquisition of the shares that will be retired

The total number of shares that the Company will be able to retire will be the result of adding: (a) any shares acquired through the Buy-back Programme and the Settlement of Derivatives; and (b) the Treasury Shares. This number will be a maximum of 182,845,603 own shares, each with a nominal value of €0.75, representing not more than 2.706% of the Company's share capital (the “**Maximum Limit**”).

As provided in the resolution of the Board of Directors approved at its meeting held on 17 March 2026, own shares would potentially be acquired within the framework of the Buy-back Programme subject to the terms as to price and volume established in the Regulations. In order to observe the Maximum Limit in any case, and provided the Board of Directors deems it appropriate to launch the Buy-back Programme, an

overall limitation would apply to the maximum number of shares to be retired that have been acquired in implementation of the Buy-back Programme and pursuant to the Settlement of Derivatives (the “**Overall Limit**”).

Thus, if the number of shares acquired in implementation of the Buy-back Programme and by virtue of the Settlement of Derivatives does not exceed the Overall Limit, pursuant to Section 340.3 of the “Companies Act” it would be deemed that the share capital of the Company is reduced by the sum of the Treasury Shares and the total number of shares acquired in implementation of the Buy-back Programme and by virtue of the Settlement of Derivatives.

However, if the shares acquired in implementation of the Buy-back Programme and pursuant to the Settlement of Derivatives do exceed the Overall Limit, the Treasury Shares and all of the own shares acquired in implementation of the Buy-back Programme would be retired. On the other hand, a number equal to the difference between the Overall Limit and the shares actually acquired in implementation of the Buy-back Programme would be retired from the own shares acquired pursuant to the Settlement of Derivatives. In this way, the remainder of any own shares acquired as a result of the Settlement of Derivatives would not be subject to retirement upon the Reduction in Capital and will remain in treasury, always within the limits provided by applicable law.

Without prejudice to the foregoing, the Company may retire own shares acquired pursuant to applicable legal provisions, always subject to the Maximum Limit, and on the terms authorised by the shareholders at the General Shareholders' Meeting and applicable legal provisions.

4. Period for the Reduction in Capital

The maximum period for the implementation of the Reductions finally carried under this resolution shall be one year following the approval thereof or until the date of the next ordinary General Shareholders' Meeting, whichever occurs earlier.

Without prejudice to the foregoing, the Reduction pursuant to which any own shares acquired in the context of the Buy-back Programme shall be retired must be implemented within one month following the expiration of said programme, pursuant to the provisions of Section 342 of the “Companies Act”.

5. Procedure for the Reduction in Capital

The own shares retired in each Reduction may: (a) have been acquired through the Buy-back Programme and the Settlement of Derivatives, and/or form part of the Treasury Shares; or (b) be other own shares legally acquired by the Company pursuant to: (i) the authorisation granted by the shareholders at the General Shareholders' Meeting of the Company held on second call on 17 June 2022 under item 19 on the agenda; and (ii) the authorisation submitted to the shareholders for approval at the General Shareholders' Meeting under item 20 on the agenda.

6. Reserves with a charge to which the Reduction in Capital is carried out

The Reduction in Capital does not entail a return of contributions to the shareholders because the Company itself is the holder of the shares being retired, and it shall be

carried out with a charge to unrestricted reserves by funding a retired capital reserve in an amount equal to the nominal value of the retired shares; such reserve may only be used by complying with the same requirements as those applicable to a reduction in share capital, as provided by Section 335 c) of the "Companies Act".

Therefore, in accordance with the provisions of such section, creditors of the Company will not be entitled to assert the right of objection contemplated by Section 334 of the "Companies Act" in connection with the corresponding Reduction.

7. Ratification of the resolutions of the Board of Directors

To ratify both the resolutions of the Board of Directors regarding the approval of the Buy-back Programme as well as the actions, statements and formalities regarding the public communication of the Buy-back Programme to date.

8. Delegation of powers

To delegate to the Board of Directors, with express power of substitution, the powers necessary to implement the Reduction in Capital during the established effective implementation period and in the form it deems most appropriate, within the limits established in this resolution and by law, within a period not to exceed that established in this resolution, with authority to establish any terms that are not expressly set forth in this resolution or that are a consequence hereof. In particular, and by way of example only, the following powers are delegated to the Board of Directors, with express power of substitution:

- (a) To perform any acts, make any statements or take any steps that may be required in connection with the public communication of the Buy-back Programme (if the Board of Directors deems its launch appropriate) and with the formalities, if any, that must be carried out at Spanish regulatory agencies and Stock Exchanges; and negotiate, agree to and sign all contracts, agreements, commitments or instructions that may be necessary or appropriate for the successful completion of the Buy-back Programme.
- (b) To cause all announcements required by law to be published for each Reduction, acquire the shares under the Buy-back Programme, if the Board of Directors deems its launch appropriate, and retire them within one month following the expiration of the Buy-back Programme, in accordance with the terms approved herein.
- (c) To declare each approved Reduction to be completed and implemented, establishing, for such purpose, the final number of shares that must be retired and, as a result, the amount by which the share capital of the Company in each Reduction must be reduced in accordance with the terms established in this resolution.
- (d) To set the final amount of each Reduction based on the provisions of this resolution, with the power to resolve not to implement the resolution in whole or in part (on the number of occasions and in the form it deems suitable and most appropriate) if: (i) own shares are not acquired for retirement; or (ii) having been acquired for such purpose, supervening circumstances, market conditions, the Company's own situation or any socially or economically material event make it

advisable in the corporate interest or prevent the implementation thereof, in any event reporting such decision to the shareholders at the next ordinary General Shareholders' Meeting; and establish any other terms that may be required to implement it, including, without limitation, the setting of unrestricted reserves account that will be used to fund the retired capital reserve, all in accordance with the terms and conditions set forth above.

- (e) To amend Article 10 of the "By-Laws" setting the share capital such that it reflects the amount of share capital and the number of outstanding shares resulting from each Reduction.
- (f) In accordance with the terms of this resolution, to evaluate and agree on the most appropriate form to acquire the own shares that are subject to retirement pursuant to the Reduction in Capital, taking into account in any event the objectives pursued thereby.
- (g) To take such steps and carry out such formalities as may be required and submit such documents as may be necessary to the competent bodies such that, once the corresponding shares of the Company have been retired and the corresponding notarial instrument for the Reduction has been executed and registered with the Commercial Registry, the retired shares are delisted from the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, through the Automated Quotation System (Continuous Market), and they removed from the corresponding book-entry registers of "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A." (Sociedad Unipersonal) (IBERCLEAR).
- (h) To perform, in their broadest terms, all acts that may be necessary or appropriate to implement and formalise the corresponding Reduction before any Spanish or foreign public or private entities and agencies, including acts for purposes of representation, supplementation, or correction of defects or omissions that might prevent or hinder the full effectiveness of the foregoing resolutions.

Pursuant to the provisions of Section 249 *bis.l*) of the "Companies Act", to expressly authorise the Board of Directors to further delegate the powers referred to in this resolution, all without prejudice to the existing powers of attorney or those granted in relation to this resolution.

ITEM 10.2 ON THE AGENDA

Reclassification of reserves from amortised capital to voluntary reserves.

RESOLUTION

1. Reclassification

To approve the reclassification of the entirety of the balance of the "retired capital reserve" account (account 1,142 of "Royal Decree 1514/2007, of 16 November, approving the General Accounting Plan"), which at the date of this resolution amounts to €1,932,897,242.42, to convert such balance into "voluntary reserves"

(account 113 of the “General Accounting Plan”) (the “**Reclassification**”), in order to allow the unrestricted use of the amount of the “retired capital reserve” and, if applicable, the implementation of the increases in share capital by means of a scrip issue that are submitted to the shareholders for approval at the General Shareholders' Meeting under items 8 and 9 on the agenda, with a partial charge to said amounts.

2. Amount of the “retired capital reserve” and procedure for Reclassification

In each of the reductions in capital approved by the shareholders at the General Shareholders' Meeting since 2013, the Company has provided the corresponding retired capital reserves to exclude the right of objection of creditors, in accordance with Section 335(c) of the “Companies Act”. As a result of the successive allocations, the “retired capital reserve” amounted to €1,932,897,242.42 as at 31 December 2025.

The Reclassification is proposed in order to allow the unrestricted use of the amount of the “retired capital reserve” and, if applicable, the implementation of the increases in share capital by means of a scrip issue proposed under items 8 and 9 on the agenda, with a partial charge to said amounts. The Reclassification will also improve the Company's financial flexibility by allowing the reuse of previously restricted resources and the optimisation of equity.

In application of the provisions of Section 335(c) of the “Companies Act”, it is only possible to use the “retired capital reserve” by complying with the same requirements as those applicable to a reduction in share capital.

Pursuant to the foregoing, and in accordance with the provisions of Section 319 in relation to Section 335(c) of the “Companies Act”, the Reclassification resolution shall be published using at least the following means:

- (a) the Official Bulletin of the Commercial Registry (*Boletín Oficial del Registro Mercantil*); and
- (b) the Company's corporate website.

Additionally, the Company shall communicate the approval of the Reclassification to the market by issuing the corresponding notice of other relevant information regarding the resolutions approved by the shareholders at the Company's General Shareholders' Meeting, which shall be published on the corporate website (www.iberdrola.com) and on the website of the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (www.cnmv.es).

Finally, pursuant to Sections 334 and 336 in relation to Section 335(c) of the “Companies Act”, the creditors of the Company whose claims have arisen prior to the date of the last announcement of the Reclassification resolution and have not fallen due at that time shall have the right, until such credits are secured, to object to the Reclassification resolution within one month following the date of the last announcement of the Reclassification resolution. As a result, the Reclassification will be implemented after the conclusion of the period of the creditors' right to object, and in any event in compliance with the provisions of Section 337 of the “Companies Act”.

3. Delegation of powers

To delegate to the Board of Directors, with express power of substitution, such powers as may be necessary or appropriate to implement the Reclassification, to publish the legally required announcements for the implementation of the Reclassification and, where appropriate, to pay the credits of those exercising the right to object to the Reclassification resolution or, alternatively, to sufficiently secure them.

Pursuant to the provisions of Section 249 *bis.l)* of the “Companies Act”, to expressly authorise the Board of Directors to further delegate the powers referred to in this resolution, all without prejudice to the existing powers of attorney or those granted in relation to this resolution.

ITEM 11 ON THE AGENDA

Consultative vote on the “Annual Report on Remuneration of Directors and Officers 2025”.

RESOLUTION

To approve, on a consultative basis, the “Annual Report on Remuneration of Directors and Officers 2025”.

ITEM 12 ON THE AGENDA

The 2026-2028 “Transformational LTIP”, aimed at professionals across the companies of the Iberdrola Group, is linked to the Company’s performance during the 2026–2028 period and will be paid on a deferred basis in instalments via the delivery of shares.

RESOLUTION

Pursuant to the provisions of Section 219 of the “Companies Act” and Article 49.4 of the “By-Laws” of “Iberdrola, S.A.” (“**Iberdrola, S.A.**” or the “**Company**”), to approve the establishment of a long-term incentive to be paid on a deferred basis in instalments through the delivery of shares of the Company and aimed at the executive directors, senior management and other professionals of Iberdrola, S.A. and those companies belonging to the group of which Iberdrola, S.A. is the controlling company within the meaning established by law (the “**Iberdrola Group**” or the “**Group**”), other than the companies of the Iberdrola Group that carry out regulated activities in Spain (the “**2026-2028 “Transformational LTIP”**”), in accordance with the following terms:

1. Description

Regional conflicts and geopolitical tensions expose fragilities in the current global energy system, reinforcing the need for stronger policies and greater investment to accelerate and scale up the transition to cleaner, safer and more autonomous technologies. Despite the challenges of the market, Iberdrola is addressing the main future challenges set out in the 2026-2028 “Transformational Plan”, which updates the Company’s commitments and reinforces the investment strategy, transforming Iberdrola’s profile towards a more regulated business, with electricity networks as a major growth vector.

To boost and incentivise the pace at which strategic objectives are achieved (“pay for performance”), aligning the interests of officers with those of shareholders and considering the existing competitive advantage, it is necessary to motivate and retain profiles with a high strategic impact on the creation of value in contexts of economic volatility and geopolitical tensions. These profiles provide the Company with a differential in terms of the combination of leadership, experience, skills and abilities, talent, dedication and innovation, and they have been backed by repeated international recognition over time.

The 2026-2028 “Transformational LTIP” is configured as a long-term incentive for the delivery of shares tied to the Company’s performance with respect to the 2026-2028 Outlook approved by the Board of Directors and any updates presented to investors (the “**2026-2028 Outlook**”). The Company’s performance at 31 December 2028 will be assessed on the basis of the following financial, operational and sustainability parameters (the “**Objectives**”), which project an ambitious and challenging scenario for a company that is not content to continue its profitable growth and a financially sound position, but seeks to further strengthen its leadership in the electricity sector, in a context of transformation towards a more regulated market, with electricity networks as a major vector for growth and consolidation in key markets, and committed to sustainability:

- Parameters relating to **financial targets**:
 - i. An objective is set for **Iberdrola Group consolidated net profit of more than €7,600 million** by 2028.

This represents an increase of over 40% compared to the forecasts of the 2023-2025 plan. It is an increase of 21% compared to year-end 2025, exceeding expectations with a record net profit of €6,285 million.

This parameter shall be deemed to have not been met if the consolidated net profit figure for financial year 2028 does not reach €7,000 million.

- ii. Maximise Iberdrola’s **total shareholder return** during the 2026-2028 period, taking the performance of the leaders of the EURO STOXX Utilities index as a benchmark.

This objective is within the framework of the Company's clear commitment to consolidating its leadership position following years of investment, sustained growth and value creation that have placed Iberdrola at outstanding levels of leadership, including in its market multiples (as reflected by a premium P/E ratio (21x) compared with the index average (13x)), demonstrating the market's confidence in its track record and strategic strength.

Building on this leading position, the objective is to strengthen the competitive position by year-end 2028, **positioning it among the top three companies within the EURO STOXX Utilities leaders** in terms of total shareholder return.

This parameter will be deemed to have not been met at year-end 2028 if Iberdrola is not among the five companies with the highest total shareholder return out of the EURO STOXX Utilities leaders.

- iii. Maintain **financial strength** as measured by the Company's long-term credit rating. The objective is to **maintain** the following **long-term credit ratings for the Company** by the end of financial year 2028 according to at least two of the three rating agencies: BBB+ according to Standard & Poor's, Baa1 according to Moody's and BBB+ according to Fitch Ratings.

This parameter shall be deemed to have not been met if the Company's long-term credit rating according to at least two of the three rating agencies is below the following levels at year-end 2028: BBB+ according to Standard & Poor's, Baa1 according to Moody's and BBB+ according to Fitch Ratings.

- Parameters relating to **sustainability objectives**

- i. **Contribute to improving competitiveness, energy security and autonomy and sustainability in the main markets in which Iberdrola operates.**

For this purpose, the objective is established, at year-end 2028 and following the evaluation of the Board of Directors, to **verify achievement of the elements of the 2026-2028 Outlook** aimed at strengthening the competitiveness and affordability of the system, driving industrial development and reinforcing energy security and autonomy in the main markets in which Iberdrola operates, with particular attention to the regulated networks business as a key focus for investment.

The objective will be deemed not achieved, at year-end 2028 and following the evaluation of the Board of Directors, if it is verified that the elements of the 2026-2028 Outlook aimed at strengthening the competitiveness and affordability of the system, driving industrial development and reinforcing energy security and autonomy in the main markets in which Iberdrola operates, with particular attention to the regulated networks business as a key focus for investment, have not been achieved.

- ii. **Number of suppliers subject to sustainability policies and standards taking into account the investment strategy.**

The objective is to ensure that by 2028, **at least 85%** of the Iberdrola Group's main suppliers (those billing the Iberdrola Group more than €1 million) are subject to these policies. This means maintaining the same percentage as the similar objective under the 2023-2025 Strategic Bonus, despite the transformation of Iberdrola's profile towards a more regulated company in the 2026-2028 period, with electricity networks as the main growth driver, involving a different supply chain mix, as well as varying timelines in the procurement process.

This parameter will be deemed to have not been met at year-end 2028 if the percentage is less than 80%.

The specific weight of each of these parameters in the overall evaluation of performance over the 2026-2028 period will be:

- 75% for parameters relating to financial targets:
 - 40% for the Iberdrola Group's consolidated net profit parameter.
 - 20% for the Company's total shareholder return parameter.
 - 15% for the maintenance of financial strength parameter.
- 25% for the sustainability parameters:
 - 12.5% for the parameter of contribution to improving competitiveness, energy security and autonomy and sustainability in the main markets in which Iberdrola operates.
 - 12.5% for the parameter of number of suppliers subject to sustainability policies and standards.

The Board of Directors of Iberdrola, S.A. may authorise the country subholding companies to establish additional parameters related to financial, operational and sustainability objectives that are supplementary to those previously indicated for the Iberdrola Group, referring to the purview of their respective subgroups of companies and also aligned with the overall objectives of the 2026-2028 Outlook for the accrual of the 2026-2028 "Transformational LTIP" by executive directors, senior management and other professionals within their respective corporate boundaries who are beneficiaries of such remuneration programme, the weighting of which may not exceed 50% of the maximum total incentive to be received.

2. Beneficiaries

The 2026-2028 "Transformational LTIP" is aimed at executive directors, senior management and other professionals of the Company and of the other companies of the Iberdrola Group (other than the companies of the Iberdrola Group that carry out regulated activities in Spain) who, due to their position or responsibility, are deemed to contribute decisively to the creation of sustainable value and are assigned to the

2026-2028 “Transformational LTIP” during its evaluation period, pursuant to the resolutions adopted by the Board of Directors in execution thereof. The 2026-2028 “Transformational LTIP” also integrates Avangrid, Inc., Neoenergia, S.A. and Electricity North West Limited and their respective subsidiaries, which had their own long-term variable remuneration plans (LTIPs) in the 2023-2025 period, for which reason the maximum number of beneficiaries is 400, which is similar in proportional terms to that of the 2023-2025 Strategic Bonus.

The senior management and other professionals of the Iberdrola Group assigned to divisions or areas that report hierarchically to the chairman of the Board of Directors of Iberdrola, S.A. and functionally to the Audit and Risk Supervision Committee or divisions or areas linked to the Sustainable Development Committee of Iberdrola, S.A. or the equivalent bodies of the corresponding country subholding companies, including the Internal Audit and Risk and Compliance Committees, may not participate as beneficiaries of the 2026-2028 “Transformational LTIP”, in order to ensure the necessary autonomy and independence of these functions, which are part of the second and third lines of defence and reinforce the effectiveness of the Iberdrola Group’s internal control system.

3. Amount

The maximum number of shares to be delivered to all the beneficiaries of the 2026-2028 “Transformational LTIP” shall be 20,000,000 shares, equal to 0.30% of the share capital at the time of the adoption of this resolution, of which up to 25%, equal to 0.07% of the share capital, shall correspond to the executive directors who act as such at any given time.

The 2026-2028 “Transformational LTIP” also integrates Avangrid, Inc., Neoenergia, S.A. and Electricity North West Limited and their respective subsidiaries, which had their own long-term variable remuneration plans (LTIPs) in the 2023-2025 period, for which reason the maximum number of shares to be delivered to the beneficiaries as a whole is similar in proportional terms to the 2023-2025 Strategic Bonus.

4. Term of the 2026-2028 “Transformational LTIP”

The 2026-2028 “Transformational LTIP” has a term of six years and is structured into two time periods, each one of which is independent from the other. The first period runs between financial years 2026 to 2028 and will be the period for evaluation of the performance level in relation to the parameters to which the 2026-2028 “Transformational LTIP” is linked (the “**Evaluation Period**”). The second period, covering financial years 2029 to 2031, will entail the deferred delivery of shares of Iberdrola, S.A. to each beneficiary over such three years (the “**Payment Period**”).

5. Evaluation, payment, cancellation and clawback

The Board of Directors, following a report from the Remuneration Committee, shall be responsible for evaluating the Company’s performance with respect to the Objectives of the 2026-2028 “Transformational LTIP” and determining their level of achievement.

Such overall performance evaluation must into account any environmental or business circumstances occurring after the approval of this 2026-2028 “Transformational LTIP” that have a positive or negative material impact on the 2026-2028 Outlook or on the main financial and sustainability variables of the Company (including but not limited to a material change in the 2026-2028 Outlook, a change in the macroeconomic, political and regulatory assumptions considered in the design thereof, corporate transactions, mergers, spin-offs, acquisitions or extraordinary dividends).

At the end of the Evaluation Period, the 2026-2028 “Transformational LTIP” shall accrue and be paid annually during the Payment Period, i.e., in the first half of 2029 and in the first quarter of 2030 and 2031. Each annual accrual and the corresponding payment thereof must be approved by the Board of Directors, after a report from the Remuneration Committee.

In this regard, during 2030 and 2031 and on occasion of each delivery of shares, an assessment shall be made as to whether it is appropriate to confirm or cancel, in whole or in part, the payment corresponding to each financial year and, in addition, if applicable, to claim reimbursement, in whole or in part, of the shares of Iberdrola, S.A. already delivered (or the amount thereof in cash) and of the withholdings or payments on account of taxes in the events of: (i) a material restatement of the financial statements on which the Board of Directors based its assessment of the level of achievement, provided that such restatement is confirmed by the external auditors and is not due to a change in accounting regulations; (ii) situations of fraud or serious violation of law declared by a final court ruling; as well as (iii) misconduct, defined as inappropriate or unethical behaviour that may cause damage to the Company's reputation, declared in the following three financial years, by means of a final court judgment.

The documentation developing the 2026-2028 “Transformational LTIP” shall also provide for the corresponding *malus* and clawback clauses establishing those situations in which the delivery to the beneficiary of the shares pending payment may be cancelled and the total or partial clawback of shares already delivered (or the amount thereof in cash) may be demanded, as well as the procedure for the application thereof. This documentation may also contemplate extraordinary and justified cases of early termination of the 2026-2028 “Transformational LTIP” and the ability in such cases for the Board of Directors to approve the payment of the 2026-2028 “Transformational LTIP” in cash on an exceptional basis, for which purpose the closing price of the shares on the first working day of the evaluation period shall be taken as the reference value of the shares.

Officers, whether or not directors, as well as senior management, who are beneficiaries of the 2026-2028 “Transformational LTIP” and to whom the “Director and Officer Remuneration Policy” applies may not transfer the shares delivered for a period of five years unless they directly or indirectly hold a number of shares equal to five times their annual fixed remuneration or unless authorised by the Board of Directors in exceptional circumstances.

Senior management or other professionals who are beneficiaries of the 2026-2028 “Transformational LTIP” other than those referred to in the foregoing paragraph may not transfer the shares delivered for a period of four years unless they directly or indirectly hold a number of shares equal to twice their annual fixed remuneration or unless authorised by the Board of Directors in exceptional circumstances.

6. Other requirements for receipt of the 2026-2028 “Transformational LTIP”

In order for beneficiaries to be entitled to receive the 2026-2028 “Transformational LTIP” long-term incentive, in addition to meeting the Objectives, beneficiaries must have achieved their personal objectives and, therefore, have received annual variable remuneration in each of the financial years of the Evaluation Period and of the Payment Period. Without prejudice to the foregoing, if the level of performance of the beneficiary during the Evaluation Period or the Payment Period is considered insufficient, the beneficiary shall not be entitled to receive the 2026-2028 “Transformational LTIP”.

7. Delegation of powers

To delegate to the Board of Directors, with express power of substitution, the powers required to implement, develop, formalise, execute and pay the 2026-2028 “Transformational LTIP”, adopting such resolutions and signing such public or private documents as may be necessary or appropriate for the full effect effectiveness thereof, including the power to cure, correct, amend or supplement this resolution. In particular, and by way of example only, pursuant to the provisions of Section 249.bis.l) of the “Companies Act”, the following powers are delegated to the Board of Directors, with express power of substitution, so that it may in turn delegate such powers:

- (a) to designate the beneficiaries of the 2026-2028 “Transformational LTIP”, either at the time of establishment thereof or subsequently, and to determine the maximum number of shares allocated to each beneficiary;
- (b) to revoke previous designations and allocations of shares, when appropriate;
- (c) to set the terms and conditions of the 2026-2028 “Transformational LTIP” as to all matters not provided for in this resolution and to prepare the corresponding rules thereof, as well as to know any rules approved by the country subholding companies for the implementation of the aforementioned remuneration programme within their respective purview, all within the framework of the contracts in effect with the beneficiaries, including, among other aspects, cases of early termination;
- (d) to formalise and implement the 2026-2028 “Transformational LTIP” in the manner it deems appropriate, taking all action required for the best implementation thereof;

- (e) to draft and sign and to submit as many public or private communications and documents as are necessary or appropriate to any public or private entity for the implementation and execution of the 2026-2028 “Transformational LTIP”;
- (f) to engage in any action, statement or procedure with respect to any public or private body, entity or public registry to obtain any authorisation or verification required for the implementation and execution of the 2026-2028 “Transformational LTIP”;
- (g) to designate any banking institution(s), depositaries or custodians that are to provide their services to the Company in relation to the formalisation and administration of the 2026-2028 “Transformational LTIP” and to negotiate, agree to and sign the corresponding agreements with the banking institution(s) thus selected, as well as such other contracts or agreements as may be appropriate with any other entities and, if applicable, with the beneficiaries, for the implementation and execution of the 2026-2028 “Transformational LTIP”, on such terms and conditions as it deems appropriate;
- (h) to evaluate the level of performance in relation to the parameters to which the 2026-2028 “Transformational LTIP” is linked and proceed to the payment thereof, for which purposes it may obtain the advice of an independent expert; and
- (i) in general, to take as many actions and sign as many documents as may be necessary or appropriate for the validity, effectiveness, implementation, development, execution, payment and success of the 2026-2028 “Transformational LTIP”.

ITEM 13 ON THE AGENDA

“Director and Officer Remuneration Policy”.

RESOLUTION

To approve the “Director and Officer Remuneration Policy”, the full text of which, together with the required report of the Remuneration Committee, is included in the explanatory report of the Board of Directors made available to the shareholders as part of the documentation relating to the General Shareholders' Meeting as from the date of publication of the announcement of the call to meeting.

Pursuant to the provisions of Section 529 *novodecies.1* of the “Companies Act”, the new “Director and Officer Remuneration Policy” shall apply as from the date of its approval for financial year 2026, and for financial years 2027, 2028 and 2029.

ITEM 14 ON THE AGENDA**Re-election of Ms María Ángeles Alcalá Díaz as an independent director.****RESOLUTION**

To re-elect Ms María Ángeles Alcalá Díaz as a director, upon a proposal of the Appointments Committee, for the bylaw-mandated four-year term and with the classification of independent director.

ITEM 15 ON THE AGENDA**Re-election of Ms Isabel García Tejerina as an independent director.****RESOLUTION**

To re-elect Ms Isabel García Tejerina as a director, upon a proposal of the Appointments Committee, for the bylaw-mandated four-year term and with the classification of independent director.

ITEM 16 ON THE AGENDA**Re-election of Mr Anthony L. Gardner as an independent director.****RESOLUTION**

To re-elect Mr Anthony L. Gardner as a director, upon a proposal of the Appointments Committee, for the bylaw-mandated four-year term and with the classification of independent director.

ITEM 17 ON THE AGENDA**Ratification and re-election of Ms Marina Freitas Gonçalves de Araújo Grossi as an independent director.****RESOLUTION**

To ratify the appointment of Ms Marina Freitas Gonçalves de Araújo Grossi as a director appointed on an interim basis (co-option) by resolution of the Board of Directors, upon a prior proposal of the Appointments Committee, at the meeting held on 17 March 2026, and to re-elect them, also upon a prior proposal of the Appointments Committee, for the bylaw-mandated four-year term, with the classification of independent director.

ITEM 18 ON THE AGENDA

Ratification and re-election of Mr Pedro Azagra Blázquez as an executive director.

RESOLUTION

To ratify the appointment of Mr Pedro Azagra Blázquez as a director appointed on an interim basis (co-option) by resolution of the Board of Directors, following a report from the Appointments Committee, adopted at the meeting held on 24 June 2025, and to re-elect him, also following a report from the Appointments Committee, for the bylaw-mandated four-year term, with the classification of executive director.

ITEM 19 ON THE AGENDA

Setting of the number of members of the Board of Directors at fourteen.

RESOLUTION

To set the number of members of the Board of Directors at fourteen.

ITEM 20 ON THE AGENDA

Authorisation to acquire own shares.

RESOLUTION

To expressly authorise the Board of Directors, with express power of substitution, to carry out derivative acquisitions of the Company's shares, in accordance with the provisions of Section 146, 509 and related provisions of the "Companies Act", on the following terms and conditions:

- (a) Acquisitions may be made directly by the Company or indirectly through its subsidiaries on the same terms and conditions as those set out in this resolution. Subsidiaries that carry out regulated activities in accordance with the provisions of "Law 24/2013, of 26 December, on the Electricity Sector" and "Law 34/1998, of 7 October, on the Hydrocarbons Sector" are excluded from this authorisation.
- (b) Acquisitions shall be made by purchase/sale, swap or any other transaction permitted by law.
- (c) Acquisitions may be carried out, at any time, up to the maximum limit permitted by law.
- (d) Acquisitions for consideration may not be made at a price above the higher of the price of the last independent transaction and the highest independent

bid at that time at the trading venue where the acquisition is made. The minimum price shall be the nominal share value.

- (e) This authorisation is granted for a period of five years from the adoption of this resolution, and derivative acquisitions of shares may be carried out at any time and on as many occasions as deemed appropriate.
- (f) As a result of the acquisition of shares, including those previously acquired by the Company or a person acting in their own name but on behalf of the Company and held in treasury, the resulting net assets may not be reduced below the amount of the share capital plus the legally or statutorily unavailable reserves, all as provided for in Section 146.1 b) of the "Companies Act".

It is expressly stated for the record that the shares acquired as a result of this authorisation may be allocated to:

- (i) the reduction of the share capital by means of retirement;
- (ii) their delivery to professionals or directors of the Company or its subsidiaries, directly or as a result of the exercise of options held thereby;
- (iii) the development of programmes that encourage participation in the Company's share capital, such as, for example, dividend reinvestment plans, loyalty bonuses or other similar instruments;
- (iv) their disposal by means of any instrument; or
- (v) any other purpose that is not contrary to applicable law at any given time.

Within the framework of this authorisation, the Board of Directors may resolve to implement buy-back programmes for own shares aimed at all the shareholders pursuant to the provisions of Article 5 of *Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse* and *Commission Delegated Regulation (EU) No 2016/1052 of 8 March 2016 supplementing the Market Abuse Regulation with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures*, as well as any other buy-back mechanism or procedure with a similar purpose. Such buy-back programmes may have the following purpose: (1) a subsequent reduction of the Company's share capital by means of the retirement of the acquired shares, following a resolution of the shareholders at the General Shareholders' Meeting (such as the one submitted for the approval of the shareholders at this General Meeting under item 10.1 on the agenda); or (2) any other of those provided for in applicable legal provisions.

This authorisation also covers the implementation of the buy-back programmes that the Board of Directors has approved up to the time of adoption of this resolution based on the authorisation granted by shareholders at the General Shareholders' Meeting held on 17 June 2022, on second call, under item 19 on the agenda (the "**2022 Authorisation**").

In addition, this authorisation may be used for the acquisition of own shares for any other purpose or through such other procedures as the Board of Directors may determine from time to time, and it may also agree on the form, manner and procedure by means of which transactions regarding own shares are to be implemented.

From the moment of its approval, this authorisation revokes and deprives of effect the 2022 Authorisation to the extent of the unused amount.

ITEM 21 ON THE AGENDA

Delegation of powers to formalise and to convert the resolutions adopted into a public instrument.

RESOLUTION

Without prejudice to the powers delegated in the preceding resolutions, to authorise the Board of Directors, the Executive Committee, the executive chairman, the chief executive officer, the general secretary and secretary of the Board of Directors and the deputy secretary of the Board of Directors of "Iberdrola, S.A." (the "**Company**") such that any of them, acting severally, may:

- (a) Formalise and convert into public instruments the resolutions adopted by the shareholders at this General Shareholders' Meeting, further developing, clarifying, specifying, interpreting, completing and correcting them, carrying out such acts or legal transactions as may be necessary or appropriate for the implementation thereof, execute such public or private documents as they deem necessary or appropriate for the full effectiveness thereof, including the corresponding registration with the Commercial Registry, and correct all omissions, defects or errors, whether substantive or otherwise, that might prevent the recording thereof with the Commercial Registry.
- (b) Approve or vote in favour of the approval of the annual financial information for the financial year ended 31 December 2025 of the country subholding companies and the other subsidiaries of the Company, which form part of the scope of consolidation of its annual financial statements.
- (c) Deposit with the Commercial Registry the separate annual financial statements of the Company and the annual financial statements thereof consolidated with those of its subsidiaries, as well as the corresponding directors' and audit reports.
- (d) Deposit the "Consolidated Statement of Non-Financial Information (SNFI) – Sustainability Report" for the financial year ended 31 December 2025 with the Commercial Registry as well as with the bodies it deems appropriate.
- (e) Manage the payment of the engagement dividend referred to in item 6 on the agenda.

- (f) Implement the resolutions regarding shareholder remuneration referred to in items 7, 8 and 9 on the agenda, in accordance with the provisions of the “Shareholder Remuneration Policy”.
- (g) Implement the resolution regarding the reduction in share capital referred to in item 10.1 on the agenda, in accordance with the provisions of the “Shareholder Remuneration Policy” and the reclassification of retired capital reserves to voluntary reserves provided for in item 10.2 on the agenda.
- (h) Register with the Commercial Registry the resolutions regarding the composition of the Board of Directors referred to in items 14 to 19 on the agenda.
- (i) In compliance with the provisions of Article 16 of the “Regulations for the General Shareholders' Meeting”, donate to a non-profit organisation or allocate to any other social objective deemed appropriate any remaining promotional materials or gifts of symbolic value delivered to encourage shareholder participation in the General Meeting.
- (j) In accordance with the provisions of the “Ethical and Basic Principles of Governance and Sustainability of the Iberdrola Group”, obtain and become aware of the opinions and expectations of its shareholders and its other Stakeholders affected by the General Shareholders' Meeting regarding the organisation of the event and, if applicable, identify opportunities for improvement for the holding of subsequent meetings.
- (k) Determine all other circumstances that may be required, adopt and implement the necessary resolutions, publish the notices and provide the guarantees that may be appropriate for the purposes established by law, as well as formalise the required documents, carry out all necessary proceedings and comply with all requirements under the law for the full effectiveness of the resolutions adopted by the shareholders at this General Shareholders' Meeting.
- (l) Delegate all or any of the powers enumerated in this resolution and those expressly granted thereto by the shareholders at this General Shareholders' Meeting in the resolutions adopted under the foregoing items on the agenda, to the extent allowed by law, to the persons they deem appropriate.

In Bilbao, on 17 March 2026

A decorative graphic consisting of several horizontal lines in green, orange, and blue, with some lines extending upwards and downwards at the left end.

General Shareholders' Meeting

29 May 2026



Report of the Board of Directors

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

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

1. Object of the report

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

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

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

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

2.1. Purpose of and rationale for the proposals

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

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

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

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

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

2.2. Structure of the proposals

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

where:

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

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

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

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

where:

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

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

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

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

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

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

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

(a) The Adjustment Dividend is not payable:

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

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

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

(b) The Adjustment Dividend is payable:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3.2. Free-of-charge allocation rights

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3.4. Purchase Commitment within the framework of the Second Implementation

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

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

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

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

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

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

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

3.5. Rights attaching to the New Shares

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

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

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

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

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

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

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

3.7. New Shares that cannot be allocated to their holders

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

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

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

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

3.8. Tax regime

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

D) Other considerations regarding the tax regime

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

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

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

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

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

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

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

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

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

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

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

3.9. Delegation to carry out each of the Implementations

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

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

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

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

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

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

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

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

3.10. Admission of the New Shares to trading

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

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

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

ITEM 7 ON THE AGENDA

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

RESOLUTION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

BASIS FOR DISTRIBUTION:

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

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

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

DISTRIBUTION:

To Legal Reserves: €33,185,606.55

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

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

TOTAL: **€15,611,795,070.64**

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

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

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

ITEM 8 ON THE AGENDA

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

RESOLUTION

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

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

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

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

ITEM 9 ON THE AGENDA

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

RESOLUTION

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

2. Amount of the Dividends

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3. Purchase Commitment within the framework of the Second Implementation

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

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

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

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

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

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

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

4. Common characteristics of the Increases in Capital

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

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

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

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

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

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

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

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

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

where:

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

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

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

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

where:

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

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

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

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

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

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

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

(a) The Adjustment Dividend is not payable:

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

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

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

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

(b) The Adjustment Dividend is payable:

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

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

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

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

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

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

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

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

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

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

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

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

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

4.2 Free-of-charge allocation rights

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4.4 Representation of the New Shares

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

4.5 Rights attaching to the New Shares

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

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

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

4.6 New Shares that cannot be allocated to their holders

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

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

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

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

4.7 Application for admission to trading

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

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

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

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

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

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

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

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

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

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

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

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

6. Delegation to carry out each of the Implementations

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

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

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

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

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

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

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

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

7. Sample calculations relating to the First Implementation

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

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

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

Solely for the purposes of this example:

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

Therefore:

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

Therefore:

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

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

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

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

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

Solely for the purposes of this example:

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

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

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

Therefore:

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

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

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

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

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

Therefore:

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

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

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

| | |
|-----------------------------------|-------------------|
| <i>Target Dividend = Dividend</i> | $€0.427 = €0.427$ |
|-----------------------------------|-------------------|

Therefore:

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

In Bilbao, on 17 March 2026



General Shareholders' Meeting

29 May 2026



Sustainable
Event



Report of the Board of Directors

Proposed reduction in capital

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REPORT OF THE BOARD OF DIRECTORS REGARDING THE PROPOSED REDUCTION IN SHARE CAPITAL BY MEANS OF THE RETIREMENT OF OWN SHARES AND RECLASSIFICATION OF RESERVES INCLUDED IN ITEM 10 ON THE AGENDA FOR THE GENERAL SHAREHOLDERS' MEETING

1. Object of the report

This report has been prepared by the Board of Directors of "Iberdrola, S.A." (the "**Company**") pursuant to the provisions of Sections 286 and 318 of the Spanish "Companies Act" (*Ley de Sociedades de Capital*), in order to provide a rationale for the proposed: (i) reduction in share capital by means of the retirement of own shares; and (ii) reclassification of reserves from retired capital to voluntary reserves (the "**Reclassification**") being submitted for the approval of the shareholders at the General Shareholders' Meeting under sections 1 and 2 of item 10 on the agenda, respectively.

Each of the reductions in capital implemented under the resolution proposed to the shareholders at the General Shareholders' Meeting and forming the object of this report shall be referred to as a "**Reduction**". In turn, the total of all the reductions in capital ultimately implemented under the proposed resolution and during its effective term shall be referred to as the "**Reduction in Capital**".

Pursuant to such provisions of the "Companies Act", to the extent that each implementation of the Reduction entails the amendment of Article 10 of the "By-Laws" setting the share capital, the Board of Directors has prepared this report, which includes the purpose of and rationale for the proposal being submitted for the approval of the shareholders at the General Shareholders' Meeting under section 1 of item 10 on the agenda.

2. Purpose of and rationale for the proposals

Pursuant to the provisions of the "Shareholder Remuneration Policy", the Company maintains a strategy for growth in such remuneration in line with the increase in results, with a pay-out of between 65% and 75% of net profits attributed to the Company, as the controlling company, in its consolidated annual financial statements.

Therefore, since 2010, the Company has been implementing an optional dividend system currently called "Iberdrola Retribución Flexible", which consists of the implementation of two increases in share capital by means of scrip issues, combined with the ability of the shareholders to decide to receive all or part of their remuneration in cash, choosing in this case to receive a dividend instead of receiving shares of the Company or to sell their free-of-charge allocation rights on the market.

Without prejudice to the foregoing, and subject to the approval by the shareholders at the General Shareholders' Meeting of the proposed resolutions included under items

8 and 9 on the agenda¹, it is intended to introduce an amendment to the “Iberdrola Retribución Flexible” system so that, if applicable, all shareholders of the Company are paid a small component of the remuneration through the payment in cash of an adjustment dividend, regardless of the remuneration option that each of them has chosen under said system.

The aforementioned increases in share capital by means of scrip issues are complemented with reductions in share capital like the one now proposed and like those that the Company has implemented each year since 2013, which are intended to maintain the number of outstanding shares of the Company used to calculate earnings per share at approximately 6,575 million. This figure represents an increase of 335 million shares compared to the number on which earnings per share have been calculated since financial year 2013 (6,240 million shares). Such increase is a result of the increase in share capital through cash contributions and excluding pre-emptive rights approved by the Company's Board of Directors at its meeting held on 22 July 2025, in exercise of the authorisation granted by the shareholders at the Company's General Shareholders' Meeting held on 17 May 2024 under item 20 of its agenda, which was formalised through two public deeds executed on 23 and 24 July 2025 before the notary of the Madrid Notarial Association Mr Miguel Ruiz-Gallardón García de la Rasilla, under numbers 3,850 and 3,866 of his notarial record, respectively, and registered in the Commercial Registry of Biscay.

The Reduction in Capital avoids the dilution of interests in the share capital caused by the repeated issuance of new shares and contributes to maintaining the earnings per share of the Company, all of which has a positive impact for the shareholders. The Reduction in Capital also operates as a formula for shareholder remuneration (an essential pillar for the Company) that supplements the “Iberdrola Retribución Flexible” optional dividend system, insofar as the retirement of own shares has a concentration effect on the value of the Company's shares inherent to the decreased number of outstanding shares, with the resulting increase in certain ratios per share.

Therefore, the Board of Directors has resolved to propose the Reduction in Capital to the shareholders at the General Shareholders' Meeting, such that it offsets the effects of the increases in share capital by means of scrip issues approved by the shareholders at the General Shareholders' Meeting held on first call on 30 May 2025 under items 9 and 10 on the agenda², and which were implemented in the months of July 2025 and January 2026, respectively. If the Reduction in Capital is ultimately approved, the total number of shares that the Company will retire will be a maximum of 182,845,603 own shares, each with a nominal value of €0.75, representing not

¹ And under the section entitled “Common terms and conditions of the dividend payment and increase in share capital resolutions proposed under items 7, 8 and 9 on the agenda, pursuant to which the “Iberdrola Retribución Flexible” optional dividend system is implemented”.

² And under the section entitled “Common terms and conditions of the dividend payment and increase in share capital resolutions proposed under items 8, 9 and 10 on the agenda, pursuant to which the “Iberdrola Retribución Flexible” optional dividend system is implemented”.

more than 2.706% of the Company's share capital (the "**Maximum Limit**"), so that the number of outstanding shares is set at the target amount of 6,575 million.

Without prejudice to the foregoing, the Board of Directors considers it appropriate, for the achievement of the Company's corporate interest, to have available all necessary mechanisms to: (i) correctly implement any Buy-back Programme (as this term is defined below) that the Board of Directors may launch following the General Shareholders' Meeting; and/or (ii) retire other own shares acquired through other legal mechanisms, with respect to both the launch of the Buy-back Programme and the effective retirement of acquired shares and the corresponding Reduction in Capital. Notwithstanding the foregoing, the object of the Reduction in Capital remains unalterable and coincides with the reductions in capital that the Company has been implementing each year since 2013.

In relation to the proposed resolution regarding the Reclassification referred to in section 2 of item 10 on the agenda, it is appropriate to state for the record in this report that, in the reductions in capital implemented since 2013, the Company has provided the corresponding retired capital reserves to exclude the right of objection of creditors, in accordance with Section 335(c) of the Spanish "Companies Act". As a result of the successive allocations, the "retired capital reserve" amounted to €1,932,897,242.42 as at 31 December 2025.

The high amount of the "retired capital reserve" justifies the Reclassification proposal made by the Board of Directors, since the balance of "voluntary reserves" will be increased by €1,932,897,242.42 following the Reclassification.

Therefore, the Board of Directors considers the Reclassification to be beneficial for the achievement of the corporate interest, as it will allow the unrestricted use of the amount of the "retired capital reserve" and, if applicable, the implementation of the increases in share capital by means of a scrip issue proposed under items 8 and 9 on the agenda, with a partial charge to said amount. The Reclassification will also improve the Company's financial flexibility by allowing the reuse of previously restricted resources and the optimisation of equity.

3. Main terms and conditions of the Reduction in Capital

The Reduction in Capital is proposed to reduce the share capital of the Company, on one or more occasions, by a maximum of €137,134,202.25 through the retirement of a maximum of 182,845,603 own shares, each with a nominal value of €0.75, representing not more than 2.706% of the share capital at the time of approval of the corresponding resolution by the shareholders at the General Shareholders' Meeting.

Subject to the following, the Reduction in Capital shall be implemented by means of:

- (a) The acquisition of shares for their retirement through:
 - (i) the potential implementation of a programme for the buy-back of own shares, targeted at all the shareholders, approved by the Board of

Directors at its meeting held on 17 March³ 2026 (the “**Buy-back Programme**”), which will possibly be launched following the call to the General Shareholders' Meeting, provided that the Board of Directors deems its launch appropriate; and

- (ii) the settlement of certain derivatives on own shares acquired by the Company prior to the date on which the Board of Directors (or the body acting by delegation therefrom) launches the Buy-back Programme (the “**Settlement of Derivatives**”).
- (b) The retirement of own shares in treasury following the close of the trading session on the day before the Board of Directors (or the body acting by delegation therefrom) launches the Buy-back Programme (the “**Treasury Shares**”).

In this regard, in order to observe the Maximum Limit in any case, and provided the Board of Directors deems it appropriate to launch the Buy-back Programme, an overall limitation would apply to the maximum number of shares to be retired that have been acquired in implementation of the Buy-back Programme and pursuant to the Settlement of Derivatives (the “**Overall Limit**”).

Thus, if the number of shares acquired in implementation of the Buy-back Programme and by virtue of the Settlement of Derivatives does not exceed the Overall Limit, pursuant to Section 340.3 of the “Companies Act” it would be deemed that the share capital of the Company is reduced by the sum of the Treasury Shares and the total number of shares acquired in implementation of the Buy-back Programme and by virtue of the Settlement of Derivatives.

However, if the shares acquired in implementation of the Buy-back Programme and pursuant to the Settlement of Derivatives do exceed the Overall Limit, the Treasury Shares and all of the own shares acquired in implementation of the Buy-back Programme would be retired. On the other hand, a number equal to the difference between the Overall Limit and the shares actually acquired in implementation of the Buy-back Programme would be retired from the own shares acquired pursuant to the Settlement of Derivatives. In this way, the remainder of any own shares acquired as a result of the Settlement of Derivatives would not be subject to retirement upon the Reduction in Capital and will remain in treasury, always within the limits provided by applicable law.

³ Pursuant to: (i) “Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse” and “Commission Delegated Regulation (EU) No 2016/1052 of 8 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures”; and (ii) the authorisation granted by the shareholders at the General Shareholders' Meeting held on second call on 17 June 2022 under item 19 on the agenda and for a five-year period.

Without prejudice to the foregoing, under section 1 of item 10 on the agenda, which is the subject of this report, it is proposed for the Board of Directors to be able to resolve to implement the Reduction in Capital without the need to implement the Buy-back Programme, when own shares have been acquired by the Company in accordance with applicable legal provisions and pursuant to: (i) the authorisation granted by the shareholders at the General Shareholders' Meeting of the Company held on second call on 17 June 2022 under item 19 on the agenda and for a five-year period; and (ii) the authorisation submitted to the shareholders for approval at the General Shareholders' Meeting under item 20 on the agenda.

As a result of the foregoing, the own shares retired in each Reduction may: (a) have been acquired through the Buy-back Programme and the Settlement of Derivatives, and/or form part of the Treasury Shares; or (b) be other own shares legally acquired by the Company pursuant to: (i) the authorisation granted by the shareholders at the General Shareholders' Meeting of the Company held on second call on 17 June 2022 under item 19 on the agenda and for a five-year period; and (ii) the authorisation submitted to the shareholders for approval at the General Shareholders' Meeting under item 20 on the agenda.

The Company shall notify the market of both the approval and the launch of the Buy-back Programme by issuing the corresponding notices of other relevant information, which shall be published on the corporate website (www.iberdrola.com) and on the website of the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (CNMV) (www.cnmv.es).

In the event that conditions prevent or make inadvisable the full or partial implementation of the Buy-back Programme, including but not limited to supervening circumstances, market conditions, the Company's own situation or any socially or economically material event, the Board of Directors may not implement all or part of the Buy-back Programme, reporting such decision to the shareholders at the next ordinary General Shareholders' Meeting. In any event, in this case, the Reduction in Capital would be implemented through the retirement of own shares that have been acquired by the Company in accordance with applicable legal provisions and pursuant to: (i) the authorisation granted by the shareholders at the General Shareholders' Meeting of the Company held on second call on 17 June 2022 under item 19 on the agenda; and (ii) the authorisation submitted to the shareholders for approval at the General Shareholders' Meeting under item 20 on the agenda.

The Board of Directors may also interrupt or terminate in advance the implementation of the Buy-back Programme in the event that any reasons make it advisable or necessary to do so in the corporate interest.

In the event of approval of the resolution regarding the Reduction in Capital that is the object of this report and if the Board of Directors decides to implement the corresponding reductions in capital, the Board of Directors (with express power of substitution): (a) would set the terms and conditions and the final amount of the Reduction; and (b) would amend Article 10 of the "By-Laws" setting the share capital such that it reflects the new amount of share capital and the new number of outstanding shares (after deducting the number of own shares proposed to be retired).

The Reduction in Capital would not entail a return of contributions to the shareholders because the Company itself is the holder of the retired shares, and it would be carried out with a charge to unrestricted reserves by funding a retired capital reserve in an amount equal to the nominal value of the retired shares; such reserve could only be used by complying with the same requirements as those applicable to a reduction in share capital, as provided by Section 335(c) of the “Companies Act”.

Therefore, in order to simplify the implementation and in accordance with the provisions of such provision, creditors of the Company would not be entitled to assert the right of objection established in Section 334 of the “Companies Act” in connection with the corresponding Reduction.

It is also proposed that the shareholders at the General Shareholders' Meeting ratify the acts performed to date by the Board of Directors in connection with the Buy-back Programme approved on 17 March 2026 and that they authorise the Board of Directors to determine the most appropriate way to acquire the own shares that are subject to retirement pursuant to the Reduction in Capital, taking into account in any event the goals sought thereby, and to implement the Reduction in Capital (on the number of occasions and in the form that it deems suitable and most appropriate) (with express power of substitution pursuant to the provisions of Section 249 *bis.l*) of the “Companies Act”), which are ultimately performed pursuant to the resolution proposed to the shareholders at the General Shareholders' Meeting under item 10.1 on the agenda, within a maximum period of one year following the approval of the resolution or until the date of the next ordinary General Shareholders' Meeting, whichever occurs earlier.

Without prejudice to the foregoing, it is proposed to authorise the Board of Directors to implement the Reduction pursuant to which any own shares acquired in the context of the Buy-back Programme shall be retired, within one month following the expiration of said programme, pursuant to the provisions of Section 342 of the “Companies Act”.

The Board of Directors is also authorised not to implement the Reduction in Capital if advisable due to the circumstances, on the terms established in the proposed resolution, and in any event reporting such decision to the shareholders at the next ordinary General Shareholders' Meeting.

All of the foregoing powers are granted to the Board of Directors (with express power of substitution), which may establish any terms that are not expressly set forth in the resolution approving the Reduction in Capital or that are a consequence thereof and approve the resolutions, publish the announcements, take the steps, and execute the public or private documents that may be required or appropriate for the successful implementation of each Reduction.

Specifically, it is proposed to authorise the Board of Directors, with express powers of substitution, to adopt the corresponding resolutions amending the “By-Laws” in order to reflect the new amount of share capital and the number of shares resulting from the implementation of each Reduction, as well as to take the steps and carry out the formalities required to cause the exclusion from trading of the retired shares from the

Spanish Stock Exchanges and the removal thereof from the book-entry registers once the corresponding resolution regarding the Reduction has been implemented.

4. Main terms and conditions of the Reclassification

By means of the Reclassification, it is proposed to reallocate and transfer the entirety of the balance of the “retired capital reserve” account (account 1,142 of “Royal Decree 1514/2007, of 16 November, approving the General Accounting Plan”), which at the date of this resolution amounts to €1,932,897,242.42, to convert such balance into “voluntary reserves” (account 113 of the “General Accounting Plan”), in order to allow the unrestricted use of the amount of the “retired capital reserve” and, if applicable, the implementation of the increases in share capital by means of a scrip issue that are submitted to the shareholders for approval at the General Shareholders' Meeting under items 8 and 9 on the agenda⁴, with a partial charge to said amounts.

In application of the provisions of Section 335(c) of the “Companies Act”, it is only possible to use the “retired capital reserve” by complying with the same requirements as those applicable to a reduction in share capital.

Pursuant to the foregoing, and in accordance with the provisions of Section 319 in relation to Section 335(c) of the “Companies Act”, the Reclassification resolution shall be published using at least the following means:

- (a) the Official Bulletin of the Commercial Registry (*Boletín Oficial del Registro Mercantil*); and
- (b) the Company's corporate website.

In addition, the Company shall communicate the approval of the Reclassification to the market by sending the corresponding notice of other relevant information regarding the resolutions approved by the shareholders at the General Shareholders' Meeting, which shall be published on the corporate website (www.iberdrola.com) and on the website of the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (www.cnmv.es).

Finally, pursuant to Sections 334 and 336 in relation to Section 335(c) of the “Companies Act”, the creditors of the Company whose claims have arisen prior to the date of the last announcement of the Reclassification resolution and have not fallen due at that time shall have the right, until such credits are secured, to object to the Reclassification resolution within one month following the date of the last announcement of the Reclassification resolution. As a result, the Reclassification will

⁴ And under the section entitled “Common terms and conditions of the dividend payment and increase in share capital resolutions proposed under items 7, 8 and 9 on the agenda, pursuant to which the “Iberdrola Retribución Flexible” optional dividend system is implemented”.

be implemented after the conclusion of the period of the creditors' right to object, and in any event in compliance with the provisions of Section 337 of the "Companies Act".

It is also proposed that the shareholders at the General Shareholders' Meeting delegate to the Board of Directors (with express power of substitution pursuant to the provisions of Section 249 *bis.1*) of the "Companies Act") such powers as are required or appropriate to publish the announcements, pay the credits or sufficiently secure them in favour of those creditors who exercise the right to object, and take the steps that may be required or appropriate to implement the Reclassification.

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

The proposed resolutions relating to the Reduction in Capital and the Reclassification submitted to the shareholders for approval at the General Shareholders' Meeting respectively read as follows:

ITEM 10 ON THE AGENDA

Reduction in capital linked to the "Iberdrola Retribución Flexible" optional dividend system.

ITEM 10.1 ON THE AGENDA

Reduction in capital by means of the retirement of a maximum of 182,845,603 own shares (2.706% of the share capital).

RESOLUTION

1. Reduction in share capital by means of the retirement of own shares

To reduce the share capital of "Iberdrola, S.A." (the "Company"), on one or more occasions, by a maximum of €137,134,202.25 through the retirement of a maximum of 182,845,603 own shares, each with a nominal value of €0.75, representing not more than 2.706% of the share capital at the time of approval of the corresponding resolution by the shareholders at the General Shareholders' Meeting.

Each of the reductions in capital implemented under this resolution shall be referred to as a "Reduction". In turn, the total of all the reductions in capital ultimately implemented under and during the effective term of this resolution shall be referred to as the "Reduction in Capital".

Subject to the following, the Reduction in Capital shall be implemented by means of:

- (a) The acquisition of shares for their retirement through:
 - (i) the potential implementation of a programme for the buy-back of own shares, targeted at all the shareholders, approved by the Board of**

*Directors at its meeting held on 17 March⁵ 2026 (the “**Buy-back Programme**”), which will possibly be launched following the call to the General Shareholders' Meeting, provided that the Board of Directors deems its launch appropriate; and*

- (ii) the settlement of certain derivatives on own shares acquired by the Company prior to the date on which the Board of Directors (or the body acting by delegation therefrom) launches the Buy-back Programme (the “**Settlement of Derivatives**”).*
- (b) The retirement of own shares in treasury following the close of the trading session on the day before the Board of Directors (or the body acting by delegation therefrom) launches the Buy-back Programme (the “**Treasury Shares**”).*

Notwithstanding the foregoing, and provided it is in the corporate interest, the Reduction in Capital may also be implemented (without the need to launch the Buy-back Programme) through the retirement of own shares that have been acquired by the Company in accordance with applicable legal provisions and pursuant to: (i) the authorisation granted by the shareholders at the General Shareholders' Meeting of the Company held on second call on 17 June 2022 under item 19 on the agenda; and (ii) the authorisation submitted to the shareholders for approval at the General Shareholders' Meeting under item 20 on the agenda.

This flexibility when implementing the Reduction in Capital contributes to the proper achievement of the Company's corporate interest, insofar as it is appropriate for the Board of Directors to have available all necessary mechanisms to: (a) correctly implement any Buy-back Programme launched following the General Shareholders' Meeting; and/or (b) retire other own shares acquired through other legal mechanisms, with respect to both the launch of the Buy-back Programme and the effective retirement of acquired shares and the corresponding Reduction in Capital.

Without prejudice to the Board of Directors being granted greater flexibility with respect to the mechanisms to implement the Reduction in Capital, its object remains unalterable and coincides with the reductions in capital that the Company has been implementing each year since 2013. As a result, the purpose of the Reduction in Capital is still to maintain the number of outstanding shares of the Company used to calculate earnings per share at approximately 6,575 million. This figure represents an increase of 335 million shares compared to the number on which earnings per share have been calculated since financial year 2013 (6,240 million shares). Such increase

⁵ Pursuant to: (i) “Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse” and “Commission Delegated Regulation (EU) No 2016/1052 of 8 March 2016 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures” (the “**Regulations**”); and (ii) the authorisation granted by the shareholders at the General Shareholders' Meeting held on second call on 17 June 2022 under item 19 on the agenda.

is a result of the increase in share capital through cash contributions and excluding pre-emptive rights approved by the Company's Board of Directors at its meeting held on 22 July 2025, in exercise of the authorisation granted by the shareholders at the Company's General Shareholders' Meeting held on 17 May 2024 under item 20 of its agenda, which was formalised through two public deeds executed on 23 and 24 July 2025 before the notary of the Madrid Notarial Association Mr Miguel Ruiz-Gallardón García de la Rasilla, under numbers 3,850 and 3,866 of his notarial record, respectively, and registered in the Commercial Registry of Biscay.

The Reduction in Capital avoids the dilution of interests in the share capital caused by the issuance of new shares as a result of the increases in share capital by means of scrip issues that are submitted for the approval of the shareholders at the General Shareholders' Meeting under items 8 and 9 on the agenda and contributes to maintaining the earnings per share of the Company, all of which has a positive impact for the shareholders. The Reduction in Capital also operates as a formula for shareholder remuneration (an essential pillar for the Company) that supplements the "Iberdrola Retribución Flexible" optional dividend system, insofar as the retirement of own shares has a concentration effect on the value of the Company's shares inherent to the decreased number of outstanding shares, with the resulting increase in certain ratios per share.

Once the Board of Directors (or the body acting by delegation therefrom) has determined the corresponding final amount of the Reduction, Article 10 of the "By-Laws" setting the share capital would be amended such that it reflects the new amount of share capital and the new number of outstanding shares.

2. Launch of Buy-back Programme

In the event that the Board of Directors decides to launch the Buy-back Programme, its terms and conditions (including the setting of the maximum number of shares that can be acquired within the framework thereof, the decision to launch it in part or in full (or not to launch it) and its effective period), the maximum potential amount of the Settlement of Derivatives, and the final figures for the Treasury Shares and the corresponding Reduction in Capital shall be set by the Company's Board of Directors (with express power of substitution).

The Company shall communicate both the approval and any launch of the Buy-back Programme to the market by issuing the corresponding notices of other relevant information, which shall be published on the corporate website (www.iberdrola.com) and on the website of the National Securities Market Commission (Comisión Nacional del Mercado de Valores) (www.cnmv.es).

In the event that conditions prevent or make inadvisable the full or partial implementation of the Buy-back Programme, including but not limited to supervening circumstances, market conditions, the Company's own situation or any socially or economically material event, the Board of Directors may not implement all or part of the Buy-back Programme, reporting such decision to the shareholders at the next ordinary General Shareholders' Meeting. In any event, in this case, the Reduction in Capital would be implemented through the retirement of own shares that have been acquired by the Company in accordance with applicable legal provisions and pursuant to: (i) the authorisation granted by the shareholders at the General

Shareholders' Meeting of the Company held on second call on 17 June 2022 under item 19 on the agenda; and (ii) the authorisation submitted to the shareholders for approval at the General Shareholders' Meeting under item 20 on the agenda.

The Board of Directors may also interrupt or terminate in advance the implementation of the Buy-back Programme in the event that any reasons make it advisable or necessary to do so in the corporate interest.

3. Procedure for acquisition of the shares that will be retired

The total number of shares that the Company will be able to retire will be the result of adding: (a) any shares acquired through the Buy-back Programme and the Settlement of Derivatives; and (b) the Treasury Shares. This number will be a maximum of 182,845,603 own shares, each with a nominal value of €0.75, representing not more than 2.706% of the Company's share capital (the "**Maximum Limit**").

As provided in the resolution of the Board of Directors approved at its meeting held on 17 March 2026, own shares would potentially be acquired within the framework of the Buy-back Programme subject to the terms as to price and volume established in the Regulations. In order to observe the Maximum Limit in any case, and provided the Board of Directors deems it appropriate to launch the Buy-back Programme, an overall limitation would apply to the maximum number of shares to be retired that have been acquired in implementation of the Buy-back Programme and pursuant to the Settlement of Derivatives (the "**Overall Limit**").

Thus, if the number of shares acquired in implementation of the Buy-back Programme and by virtue of the Settlement of Derivatives does not exceed the Overall Limit, pursuant to Section 340.3 of the "Companies Act" it would be deemed that the share capital of the Company is reduced by the sum of the Treasury Shares and the total number of shares acquired in implementation of the Buy-back Programme and by virtue of the Settlement of Derivatives.

However, if the shares acquired in implementation of the Buy-back Programme and pursuant to the Settlement of Derivatives do exceed the Overall Limit, the Treasury Shares and all of the own shares acquired in implementation of the Buy-back Programme would be retired. On the other hand, a number equal to the difference between the Overall Limit and the shares actually acquired in implementation of the Buy-back Programme would be retired from the own shares acquired pursuant to the Settlement of Derivatives. In this way, the remainder of any own shares acquired as a result of the Settlement of Derivatives would not be subject to retirement upon the Reduction in Capital and will remain in treasury, always within the limits provided by applicable law.

Without prejudice to the foregoing, the Company may retire own shares acquired pursuant to applicable legal provisions, always subject to the Maximum Limit, and on the terms authorised by the shareholders at the General Shareholders' Meeting and applicable legal provisions.

4. Period for the Reduction in Capital

The maximum period for the implementation of the Reductions finally carried under this resolution shall be one year following the approval thereof or until the date of the next ordinary General Shareholders' Meeting, whichever occurs earlier.

Without prejudice to the foregoing, the Reduction pursuant to which any own shares acquired in the context of the Buy-back Programme shall be retired must be implemented within one month following the expiration of said programme, pursuant to the provisions of Section 342 of the "Companies Act".

5. Procedure for the Reduction in Capital

The own shares retired in each Reduction may: (a) have been acquired through the Buy-back Programme and the Settlement of Derivatives, and/or form part of the Treasury Shares; or (b) be other own shares legally acquired by the Company pursuant to: (i) the authorisation granted by the shareholders at the General Shareholders' Meeting of the Company held on second call on 17 June 2022 under item 19 on the agenda; and (ii) the authorisation submitted to the shareholders for approval at the General Shareholders' Meeting under item 20 on the agenda.

6. Reserves with a charge to which the Reduction in Capital is carried out

The Reduction in Capital does not entail a return of contributions to the shareholders because the Company itself is the holder of the shares being retired, and it shall be carried out with a charge to unrestricted reserves by funding a retired capital reserve in an amount equal to the nominal value of the retired shares; such reserve may only be used by complying with the same requirements as those applicable to a reduction in share capital, as provided by Section 335 c) of the "Companies Act".

Therefore, in accordance with the provisions of such section, creditors of the Company will not be entitled to assert the right of objection contemplated by Section 334 of the "Companies Act" in connection with the corresponding Reduction.

7. Ratification of the resolutions of the Board of Directors

To ratify both the resolutions of the Board of Directors regarding the approval of the Buy-back Programme as well as the actions, statements and formalities regarding the public communication of the Buy-back Programme to date.

8. Delegation of powers

To delegate to the Board of Directors, with express power of substitution, the powers necessary to implement the Reduction in Capital during the established effective implementation period and in the form it deems most appropriate, within the limits established in this resolution and by law, within a period not to exceed that established in this resolution, with authority to establish any terms that are not expressly set forth in this resolution or that are a consequence hereof. In particular, and by way of example only, the following powers are delegated to the Board of Directors, with express power of substitution:

- (a) To perform any acts, make any statements or take any steps that may be required in connection with the public communication of the Buy-back*

- Programme (if the Board of Directors deems its launch appropriate) and with the formalities, if any, that must be carried out at Spanish regulatory agencies and Stock Exchanges; and negotiate, agree to and sign all contracts, agreements, commitments or instructions that may be necessary or appropriate for the successful completion of the Buy-back Programme.*
- (b) To cause all announcements required by law to be published for each Reduction, acquire the shares under the Buy-back Programme, if the Board of Directors deems its launch appropriate, and retire them within one month following the expiration of the Buy-back Programme, in accordance with the terms approved herein.*
 - (c) To declare each approved Reduction to be completed and implemented, establishing, for such purpose, the final number of shares that must be retired and, as a result, the amount by which the share capital of the Company in each Reduction must be reduced in accordance with the terms established in this resolution.*
 - (d) To set the final amount of each Reduction based on the provisions of this resolution, with the power to resolve not to implement the resolution in whole or in part (on the number of occasions and in the form it deems suitable and most appropriate) if: (i) own shares are not acquired for retirement; or (ii) having been acquired for such purpose, supervening circumstances, market conditions, the Company's own situation or any socially or economically material event make it advisable in the corporate interest or prevent the implementation thereof, in any event reporting such decision to the shareholders at the next ordinary General Shareholders' Meeting; and establish any other terms that may be required to implement it, including, without limitation, the setting of unrestricted reserves account that will be used to fund the retired capital reserve, all in accordance with the terms and conditions set forth above.*
 - (e) To amend Article 10 of the "By-Laws" setting the share capital such that it reflects the amount of share capital and the number of outstanding shares resulting from each Reduction.*
 - (f) In accordance with the terms of this resolution, to evaluate and agree on the most appropriate form to acquire the own shares that are subject to retirement pursuant to the Reduction in Capital, taking into account in any event the objectives pursued thereby.*
 - (g) To take such steps and carry out such formalities as may be required and submit such documents as may be necessary to the competent bodies such that, once the corresponding shares of the Company have been retired and the corresponding notarial instrument for the Reduction has been executed and registered with the Commercial Registry, the retired shares are delisted from the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges, through the Automated Quotation System (Continuous Market), and they removed from the corresponding book-entry registers of "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A." (Sociedad Unipersonal) (IBERCLEAR).*

- (h) *To perform, in their broadest terms, all acts that may be necessary or appropriate to implement and formalise the corresponding Reduction before any Spanish or foreign public or private entities and agencies, including acts for purposes of representation, supplementation, or correction of defects or omissions that might prevent or hinder the full effectiveness of the foregoing resolutions.*

Pursuant to the provisions of Section 249 bis.l) of the “Companies Act”, to expressly authorise the Board of Directors to further delegate the powers referred to in this resolution, all without prejudice to the existing powers of attorney or those granted in relation to this resolution.

ITEM 10.2 ON THE AGENDA

Reclassification of reserves from amortised capital to voluntary reserves.

RESOLUTION

1. Reclassification

*To approve the reclassification of the entirety of the balance of the “retired capital reserve” account (account 1,142 of “Royal Decree 1514/2007, of 16 November, approving the General Accounting Plan”), which at the date of this resolution amounts to €1,932,897,242.42, to convert such balance into “voluntary reserves” (account 113 of the “General Accounting Plan”) (the “**Reclassification**”), in order to allow the unrestricted use of the amount of the “retired capital reserve” and, if applicable, the implementation of the increases in share capital by means of a scrip issue that are submitted to the shareholders for approval at the General Shareholders' Meeting under items 8 and 9 on the agenda, with a partial charge to said amounts.*

2. Amount of the “retired capital reserve” and procedure for Reclassification

In each of the reductions in capital approved by the shareholders at the General Shareholders' Meeting since 2013, the Company has provided the corresponding retired capital reserves to exclude the right of objection of creditors, in accordance with Section 335(c) of the “Companies Act”. As a result of the successive allocations, the “retired capital reserve” amounted to €1,932,897,242.42 as at 31 December 2025.

The Reclassification is proposed in order to allow the unrestricted use of the amount of the “retired capital reserve” and, if applicable, the implementation of the increases in share capital by means of a scrip issue proposed under items 8 and 9 on the agenda, with a partial charge to said amounts. The Reclassification will also improve the Company's financial flexibility by allowing the reuse of previously restricted resources and the optimisation of equity.

In application of the provisions of Section 335(c) of the “Companies Act”, it is only possible to use the “retired capital reserve” by complying with the same requirements as those applicable to a reduction in share capital.

Pursuant to the foregoing, and in accordance with the provisions of Section 319 in relation to Section 335(c) of the “Companies Act”, the Reclassification resolution shall be published using at least the following means:

- (a) the Official Bulletin of the Commercial Registry (Boletín Oficial del Registro Mercantil); and*
- (b) the Company’s corporate website.*

Additionally, the Company shall communicate the approval of the Reclassification to the market by issuing the corresponding notice of other relevant information regarding the resolutions approved by the shareholders at the Company’s General Shareholders’ Meeting, which shall be published on the corporate website (www.iberdrola.com) and on the website of the National Securities Market Commission (Comisión Nacional del Mercado de Valores) (www.cnmv.es).

Finally, pursuant to Sections 334 and 336 in relation to Section 335(c) of the “Companies Act”, the creditors of the Company whose claims have arisen prior to the date of the last announcement of the Reclassification resolution and have not fallen due at that time shall have the right, until such credits are secured, to object to the Reclassification resolution within one month following the date of the last announcement of the Reclassification resolution. As a result, the Reclassification will be implemented after the conclusion of the period of the creditors’ right to object, and in any event in compliance with the provisions of Section 337 of the “Companies Act”.

3. Delegation of powers

To delegate to the Board of Directors, with express power of substitution, such powers as may be necessary or appropriate to implement the Reclassification, to publish the legally required announcements for the implementation of the Reclassification and, where appropriate, to pay the credits of those exercising the right to object to the Reclassification resolution or, alternatively, to sufficiently secure them.

Pursuant to the provisions of Section 249 bis.l) of the “Companies Act”, to expressly authorise the Board of Directors to further delegate the powers referred to in this resolution, all without prejudice to the existing powers of attorney or those granted in relation to this resolution.

In Bilbao, on 17 March 2026



General Shareholders' Meeting

29 May 2026



Sustainable
Event



Report of the Board of Directors

Proposed "Director and Officer
Remuneration Policy"

REPORT OF THE BOARD OF DIRECTORS REGARDING THE PROPOSED “DIRECTOR AND OFFICER REMUNERATION POLICY” SUBMITTED TO THE SHAREHOLDERS FOR APPROVAL UNDER ITEM 13 ON THE AGENDA AT THE GENERAL SHAREHOLDERS’ MEETING

1. Rationale

This report is prepared by the Board of Directors of “Iberdrola, S.A.” (the “**Company**”) pursuant to the provisions of Section 529 *novodecies.4* of the Spanish Companies Act (*Ley de Sociedades de Capital*), which provides that a rationale shall be provided for the proposed director remuneration policy and that a specific report of the appointments and remuneration committee must be attached thereto.

Section 529 *novodecies.1* of the “Companies Act” provides that the director remuneration policy must be approved by the shareholders at a general shareholders’ meeting as a separate item on the agenda, to be applied for a maximum period of three financial years, although proposed new director remuneration policies must be submitted to the shareholders prior to the end of the last year of application of the preceding policy, and the shareholders may decide that the new policy applies as from the date of approval thereof and during the next three financial years. Any change or replacement thereof during such period shall require the prior approval of the shareholders at the general shareholders’ meeting, in accordance with the procedure established for approval thereof.

The current “Director Remuneration Policy” was approved by the shareholders at the Company’s General Shareholders’ Meeting held on 17 May 2024 for application as from the financial year of its approval and during financial years 2025, 2026 and 2027.

In 2025, in accordance with the provisions of the “Companies Act”, the Remuneration Committee conducted an extensive review of the “Director and Officer Remuneration Policy” to ensure that the principles, content and disclosures are aligned with the expectations of its shareholders (retail and institutional), of its proxy advisors and of analyses of the various channels, as well as those arising from its action plan.

This review process takes into consideration the following issues, which derive from the action plan for continuous improvement developed by the Remuneration Committee:

- Information gathered annually through the Company’s ongoing and transparent dialogue with its shareholders (retail and institutional) and proxy advisors on expectations regarding and possible modifications of the Policy.
- Proactive evaluation regarding whether the remuneration system encourages excessive or inappropriate risk-taking, in consultation with the Audit and Risk Supervision Committee.

- Results of the analysis of best remuneration practices at comparable and global companies carried out annually with the advice of an independent expert, highlighting the reinforcement of the approach on share price appreciation, as well as the benchmark analyses of total remuneration, with a particular focus on long-term variable remuneration aligned with the creation of value for shareholders.
- Results of best corporate governance practices, as well as acknowledgement of new developments in the area of transparency of the remuneration included in the annual director remuneration reports and follow-up on the General Shareholders' Meeting for the adoption of measures for improvement.
- Employee remuneration and how remuneration is aligned with Iberdrola's "Purpose and Values".

Additionally, certain significant milestones reached since the last review of the "Policy" were taken into account, such as:

- Changes in the composition and positions of the Board of Directors and its committees, following the replacement of the chief executive officer.
- The results after the end of the 2023-2025 Strategic Bonus evaluation period. Although ambitious, the objectives disclosed to the markets in the 2023-2025 Strategic Plan were comfortably outperformed by results that again broke records ("record after record").
- The main future challenges of the "2026-2028 Transformational Plan" disclosed to the markets on 24 September 2025 at the Capital Markets Day, which updates the Company's commitments and reinforces the investment strategy, transforming Iberdrola's profile towards a more regulated company, with electricity networks as a major, predictable and profitable growth vector, maintaining financial strength and the growing dividend, creating long-term sustainable value, reaffirming the policy of shareholder remuneration in line with results (payout ratio) and increasing the "social dividend".
- Flexibility in the ability to attract, retain and motivate the most qualified professionals so that the Company can meet its strategic objectives within an increasingly competitive and globalised framework.

In view of the above, in order to drive the execution of the next growth phase and strengthen the retention of leadership during a critical and highly demanding period for the Company, the Board of Directors believes it necessary to submit for the approval of the shareholders at the General Shareholders' Meeting 2026 a new "Director and Officer Remuneration Policy", together with a specific report issued by the Remuneration Committee on 13 March 2026, to replace the "Director and Officer Remuneration Policy" approved by the shareholders at the General Shareholders' Meeting held on 17 May 2024, as well as a new long-term incentive plan aligned with the pace required in the new context and which reinforces the Company's competitive advantage.

The general lines of the new "Director and Officer Remuneration Policy" are similar to those of previous years, although the changes and improvements summarised below

have been introduced as a strategic tool for the sustainable creation of value for all stakeholders

(i) For directors in their capacity as such:

- It is proposed to expand the permanent shareholding commitment (shareholding policy) for directors in their capacity as such to an amount equivalent to at least 25% of the annual fixed remuneration (instead of 20%) per year in office, to be held for a cumulative period of five years (instead of four years).
- The maximum aggregate amount of annual remuneration to be paid to all directors in their capacity as such, which was unchanged since 2008, is set at €12,000,000 during each financial year that this Policy is in force, although the amounts of annual fixed remuneration per position and the attendance fees per meeting remain unchanged for 2026.

(ii) For officers:

- It is proposed to expand the permanent shareholding commitment by setting the period during which they may not transfer ownership of the shares received at five years (instead of four years) unless an amount is retained that is equivalent to at least five times (500%) their fixed remuneration (instead of two times).
- With regard to cancellation (*malus*) or clawback clauses for amounts already paid as short- and long-term variable remuneration, it is proposed to clarify the inclusion of misconduct among the triggering circumstances, defined as inappropriate or unethical behaviour that may cause damage to the Company's reputation, declared within the next three financial years, by means of a final court judgment.
- To boost and incentivise the pace at which strategic objectives are achieved ("pay for performance"), aligning the interests of officers with those of shareholders and considering the existing competitive advantage, it is necessary to motivate and retain profiles with a high strategic impact on the creation of value in contexts of economic volatility and geopolitical tensions. These profiles provide the Company with a differential in terms of the combination of leadership, experience, skills and abilities, talent, dedication and innovation, and they have been backed by repeated international recognition over time. In view of the foregoing, a long-term incentive via the delivery of shares for performance linked to achievement of the Company's strategic objectives, specifically, the 2026-2028 Outlook presented at Capital Markets Day on 24 September 2025 (2026-2028 "Transformational LTIP") to maintain the Company's competitive advantage, will be submitted for approval by the shareholders at the upcoming General Shareholders' Meeting. The specific details are set out in the proposed resolution submitted to the shareholders for approval at the General Shareholders' Meeting.

Pursuant to the foregoing, the Board of Directors of the Company, upon a proposal of the Remuneration Committee, has resolved to submit the new "Director and Officer Remuneration Policy" for the approval of the shareholders at the General Shareholders' Meeting 2026 as a separate item on the agenda (item 13), in

compliance with the provisions of Section 529 *novodecies* of the “Companies Act”, to apply as from the date of approval thereof for financial year 2026 and for the next three financial years (2027, 2028 and 2029).

With this “Director and Officer Remuneration Policy”, the Board of Directors intends to continue to promote appropriate remuneration principles and practices throughout the Group in order to contribute to the achievement of the Company’s long-term strategic and sustainability goals.

Both the proposed “Director and Officer Remuneration Policy” of the Company and the mandatory specific report of the Remuneration Committee will be made available to the shareholders on the Company’s website from the call to the General Meeting, who may also ask for it to be delivered or sent free of charge, in accordance with the provisions of Section 529 *novodecies.4* of the “Companies Act”.

For these purposes, the following are included as annexes to this reasoned proposal:

- Annex 1: The specific report of the Remuneration Committee on the new “Director and Officer Remuneration Policy”.
- Annex 2: The full text of the new “Director and Officer Remuneration Policy” proposed for the approval of the shareholders at the General Shareholders’ Meeting.

2. Proposed resolution submitted to the shareholders at the General Shareholders’ Meeting

The proposed resolution relating to the “Director and Officer Remuneration Policy” submitted to the shareholders for approval at the General Shareholders’ Meeting reads as follows:

ITEM 13 ON THE AGENDA

“Director and Officer Remuneration Policy”

RESOLUTION

To approve the Director and Officer Remuneration Policy, the full text of which, together with the required report of the Remuneration Committee, is included in the explanatory report of the Board of Directors made available to the shareholders as part of the documentation relating to the General Shareholders’ Meeting as from the date of publication of the announcement of the call to meeting.

*Pursuant to the provisions of Section 529 *novodecies.1* of the Companies Act, the new Director and Officer Remuneration Policy shall apply as from the date of its approval for financial year 2026 and during financial years 2027, 2028 and 2029.*

In Bilbao, on 17 March 2026

ANNEX 1

**REPORT PREPARED BY THE REMUNERATION COMMITTEE OF
“IBERDROLA, S.A.” IN RELATION TO THE PROPOSED APPROVAL
OF THE *DIRECTOR AND OFFICER REMUNERATION POLICY*,
INCLUDED IN ITEM 13 ON THE AGENDA FOR THE GENERAL
SHAREHOLDERS' MEETING CALLED TO BE HELD ON 29 MAY 2026
ON FIRST CALL**

1. Context and evolution of the Company

Iberdrola's *Director and Officer Remuneration Policy* is intended to recruit, retain, motivate and develop the best talent, incentivising the creation of value and the achievement of corporate objectives to ensure maximum alignment with stakeholders, in accordance with the provisions of policies of other comparable companies. However, what sets Iberdrola apart is the manner in which the *Policy* is put into practice, with notable consistency and continuity over the years, which has made it possible to provide clarity to its directors and officers regarding what is expected of them with respect to the achievement of the strategic goals and the principles to which they must adhere in order to reach them.

Among other things, this *Policy* has allowed Iberdrola to consolidate its international presence, operating in multiple markets as a global leader in the energy sector.

- Over the last 10 years, it has generated value of €115 billion as a result of having increased its capitalisation by close to €88 billion and distributed dividends of more than €27 billion.

Total dividend

+ €27,354
million

Increase in
stock market
capitalisation

+ €87,613
million

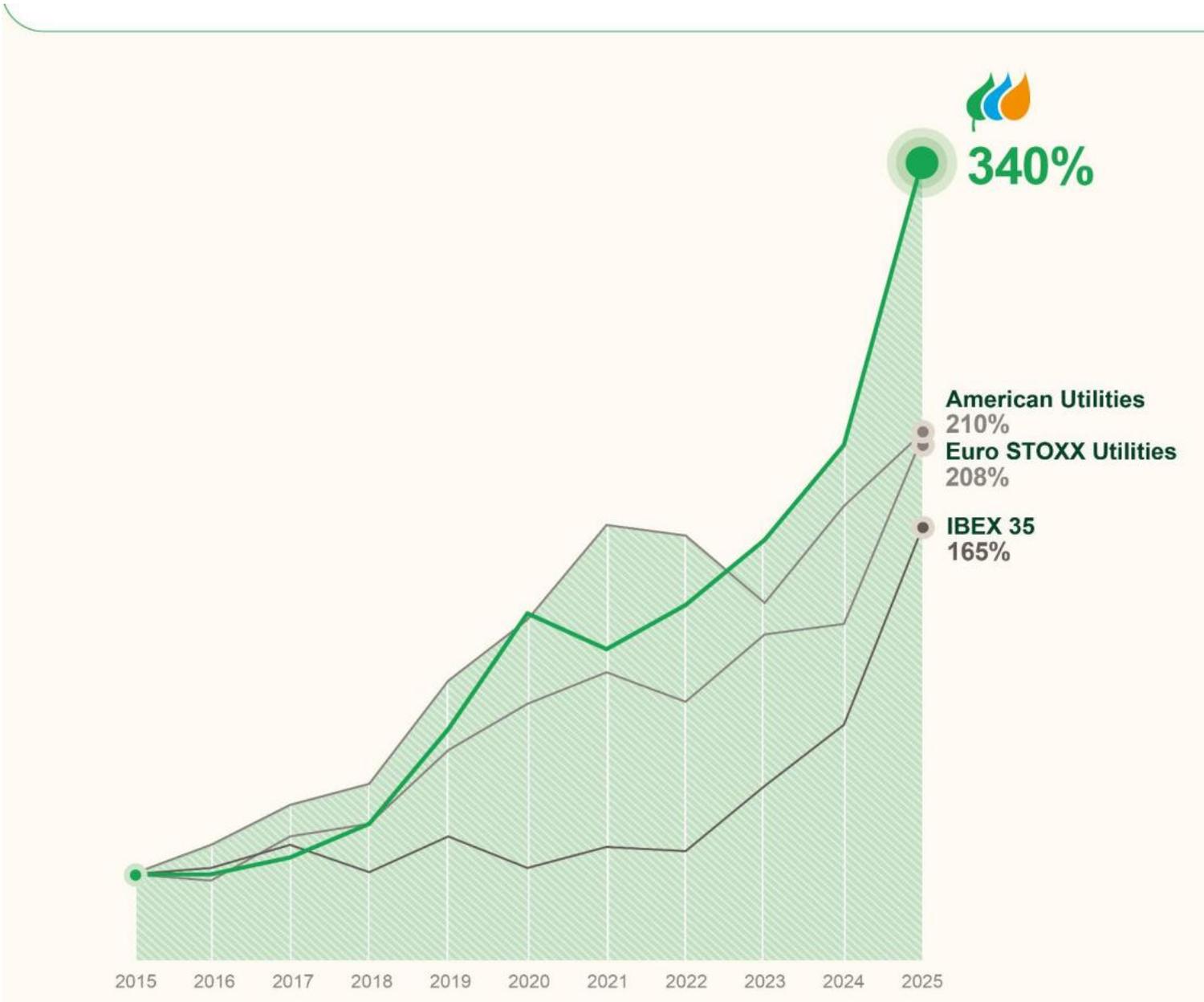


Creation of value
2015-2025

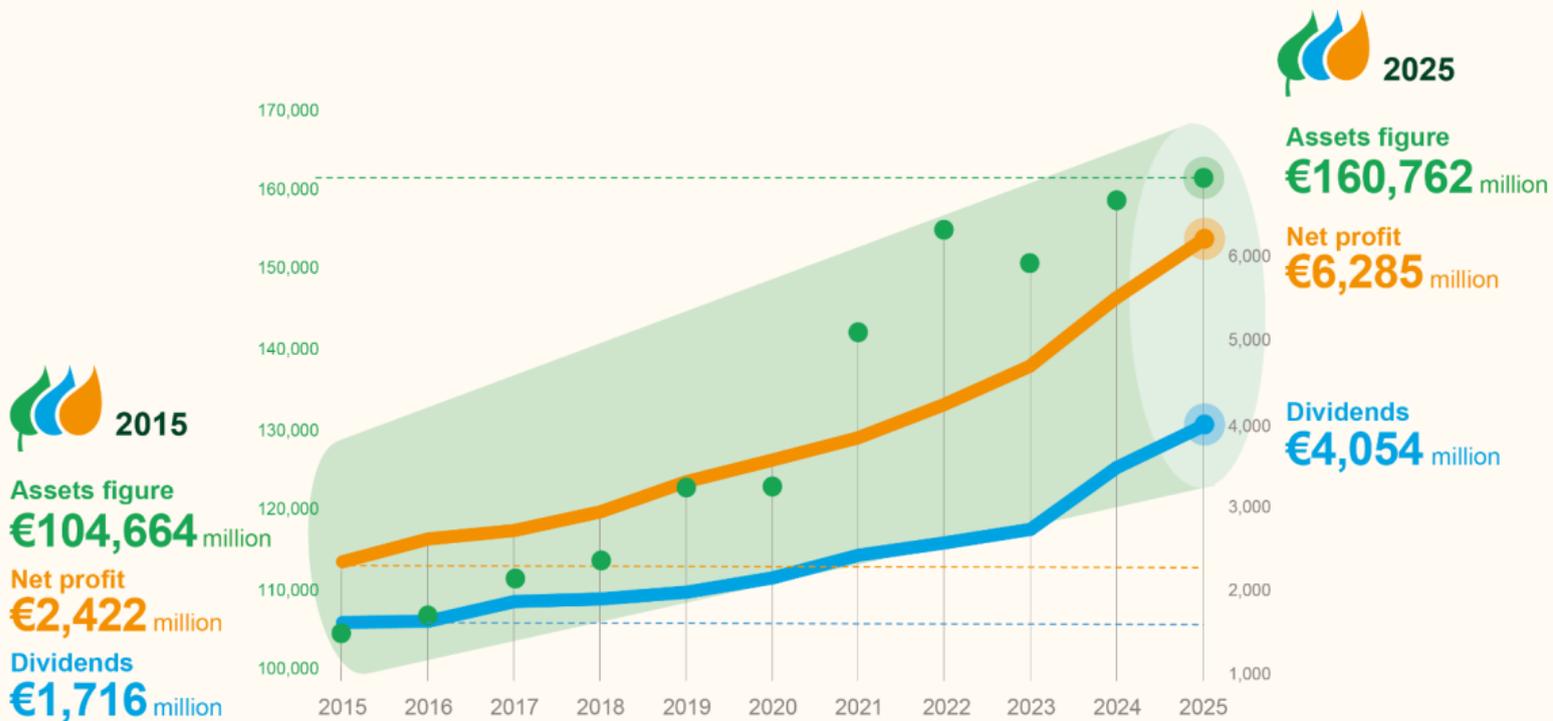
+114,967
€ millions

- In the last 10 years, Iberdrola has significantly outperformed in total shareholder return (including reinvestment of dividends) compared to:

- the average total return of the top three US utilities by market capitalisation (**American Utilities**),
- the total return of the European industry index (**Euro STOXX Utilities**),
- the total return of the Spanish market index (**IBEX 35**).



- In the last 10 years, Iberdrola has achieved consistent performance of assets, net profit and total dividends received by shareholders in line with the Company's long-term non-volatile (stable and sustainable) growth.



- In a context in which Iberdrola has again posted record-breaking results (“record after record”) and reached all-time highs in total shareholder return, from 2026 onwards the Company will address the main challenges of the 2026-2028 Transformational Plan, including:
 - Ensuring the achievement of corporate objectives with the required pace.
 - Securing maximum alignment with the stakeholders and alignment or remuneration with shareholder performance (“pay for performance”), while integrating the “social dividend” in recognition of the broader interests of the stakeholders.
 - Strengthening the competitive advantage.
 - Retaining profiles with a high strategic impact on the creation of value, backed by repeated international recognition.

The Remuneration Committee remains firmly committed to aligning the remuneration of directors and officers with the performance of the various businesses in which Iberdrola operates and with the expectations of its shareholders and other stakeholders to ensure that remuneration practices link the contribution of professionals to the long-term strategic and sustainability goals of the Company.

2. Object of the report

Pursuant to the provisions of Article 5, section (a) of the Regulations of the Remuneration Committee, this Committee is responsible for proposing to the Board of Directors the *Remuneration Policy* to be submitted for the approval of the shareholders at the General Shareholders' Meeting.

The Remuneration Committee conducts extensive reviews of the Remuneration Policy to ensure that the principles, content and disclosures are in line with the expectations of its shareholders (retail and institutional), its proxy advisors, and the analyses of various channels, as well as with best market and corporate governance practices.

This review process takes into consideration the following issues, which derive from the action plan for continuous improvement developed by the Remuneration Committee:

- Information gathered annually through the Company's ongoing and transparent dialogue with its shareholders (retail and institutional) and proxy advisors on expectations regarding and possible modifications of the Policy.
- Proactive evaluation regarding whether the remuneration system encourages excessive or inappropriate risk-taking, in consultation with the Audit and Risk Supervision Committee.
- Results of the analysis of best remuneration practices at comparable and global companies carried out annually with the advice of an independent expert, highlighting the reinforcement of the approach on share price appreciation, as well as the benchmark analyses of total remuneration, with a particular focus on long-term variable remuneration aligned with the creation of value for shareholders.
- Results of best corporate governance practices, as well as acknowledgement of new developments in the area of transparency of the remuneration included in the annual director remuneration reports and follow-up on the General Shareholders' Meeting for the adoption of measures for improvement.
- Employee remuneration and how remuneration is aligned with Iberdrola's *Purpose and Values*.

Additionally, certain significant milestones reached since the last review of the *Policy* were taken into account, such as:

- Changes in the composition and positions of the Board of Directors and its committees, following the replacement of the chief executive officer.
- The results after the end of the 2023-2025 Strategic Bonus evaluation period. Although ambitious, the objectives disclosed to the markets in the Strategic Plan 2023-2025 were comfortably outperformed by results that again broke records ("record after record").
- The main future challenges of the 2026-2028 Transformational Plan disclosed to the markets on 24 September 2025 at the Capital Markets Day, which updates the Company's commitments and reinforces the investment strategy,

transforming Iberdrola's profile towards a more regulated company, with electricity networks as a major, predictable and profitable growth vector, maintaining financial strength and the growing dividend, creating long-term sustainable value, reaffirming the policy of shareholder remuneration in line with results (payout ratio) and increasing the "social dividend".

- Flexibility in the ability to attract, retain and motivate the most qualified professionals so that the Company can meet its strategic objectives within an increasingly competitive and globalised framework.

3. General lines of the new *Remuneration Policy*

The general lines of the new *Remuneration Policy* are similar to those of previous years, maintaining consistency regarding the following fundamental aspects:

1. Fully aligned with the creation of shareholder value

- Shareholding policy:

The permanent shareholding commitment for directors in their capacity as such is expanded to an amount equivalent to at least 25% of the annual fixed remuneration (instead of 20%) per year in office, to be held for a cumulative period of five years (instead of four years).

The permanent shareholding commitment is expanded for officers by setting the period during which they may not transfer ownership of the shares received at five years (instead of four years) unless an amount is retained that is equivalent to at least five times (500%) their fixed remuneration (instead of two times).

- **Pay for performance:** a portion of the total remuneration of the officers is variable and subject to the achievement of objectives linked to the business strategy and to the interests and long-term sustainability of the Company.
- **Delivery of shares:** long-term variable remuneration is implemented through deferred share delivery plans linked to the achievement of long-term objectives, which are subject to the *ex ante* approval of the shareholders at a General Shareholders' Meeting.

These plans have a duration of six years (three for performance evaluation and three for payment) and are granted every three years rather than annually, which ensures that there is no overlap.

2. Long-term commitment to the Company's business enterprise

The *Policy* promotes a long-term sustainable remuneration system and maintains a reasonable balance between the various elements making up remuneration, reflecting an appropriate assumption of risk that contributes to attracting, retaining, motivating and developing the best talent, taking into account the following principles:

| Principles | Elements of the Remuneration Policy | | |
|---|-------------------------------------|---|---------------------------------|
| | Fixed remuneration | Short-term variable remuneration (annual bonus) | Long-term variable remuneration |
| Transparency | • | • | • |
| Equal opportunities | • | • | • |
| Alignment with the remuneration policy for the Company's professionals | • | • | • |
| Competitiveness for the creation of value | • | • | • |
| Neutrality in variable remuneration for the creation of value | | • | • |
| Long-term commitment to the interests of the shareholders and to sustainability | | • | • |
| Proportionality to risk measures in the remuneration systems | | • | • |

3. Proportionality with risk measures in remuneration systems

The *Policy* includes among its basic principles proportionality with risk measures in the remuneration systems, which establishes maximum limits to any variable remuneration and appropriate mechanisms for the Company to cancel (*malus* clause) or obtain the reimbursement (clawback clause) of the variable components of remuneration (both short and long term).

4. Flexibility and competitive advantage

The *Policy* ensures the flexibility required to attract, retain and motivate the most qualified professionals so that the Company can meet its strategic objectives within an increasingly competitive and globalised framework.

The *Policy* maintains the Company's competitive advantage by establishing a remuneration package that guarantees recruitment, retention and loyalty-building in contexts of economic volatility and geopolitical tensions, for profiles with a high strategic impact on the creation of value for the Company, backed by repeated international recognition. These profiles provide the Company with a differential in terms of the combination of experience, skills and abilities, talent, dedication, innovation and a devotion to leadership, and they have been backed by repeated international recognition over time.

The *Director and Officer Remuneration Policy* that the Committee proposes to the Board of Directors is attached to this Report.

ANNEX 2

DIRECTOR AND OFFICER REMUNERATION POLICY

1. Introduction. Changes from the previous *Policy*

The Board of Directors of Iberdrola, S.A. (the “**Board**” or the “**Board of Directors**”) recognises that the strategic decision-making skills of the directors and officers and their unwavering commitment to the purpose and values of Iberdrola, S.A. (“**Iberdrola**” or the “**Company**”) are fundamental factors in the sustained leadership of the Company year after year. The combination of experience, skills and abilities, talent, dedication, innovation and leadership commitment of the directors, officers and professionals of Iberdrola constitutes its competitive advantage, and it is from this perspective that the Remuneration Committee approaches the preparation of the new Director and Officer Remuneration Policy (the “*Policy*” or “**Remuneration Policy**”); a strategic tool to maintain leadership as Iberdrola’s competitive advantage in the energy sector.

Iberdrola’s *Remuneration Policy* is intended to recruit, retain, motivate and develop the best talent, incentivising the creation of value and the achievement of corporate objectives to ensure maximum alignment with stakeholders, in accordance with the provisions of policies of other comparable companies. However, what sets Iberdrola apart is the manner in which the *Policy* is put into practice, with notable consistency and continuity over the years, which has made it possible to provide clarity to its directors and officers regarding what is expected of them with respect to the achievement of the strategic goals and the principles to which they must adhere in order to reach them.

This *Policy*, among others, has enabled Iberdrola to consolidate its international presence, operating in multiple markets as a global leader in the energy sector that in the last 10 years has generated value of approximately €115 billion as a result of having increased its capitalisation by close to €88 billion and distributed dividends of over €27 billion. Total shareholder return has been significantly higher than the top three American utilities by capitalisation, the Euro STOXX 50, the Euro STOXX Utilities and the IBEX 35. All this ensures the long-term sustainability of the Company.

On 24 September 2025 at the Capital Markets Day, Iberdrola presented the 2026-2028 Transformational Plan, which updates the Company’s commitments and reinforces the investment strategy, transforming Iberdrola’s profile towards a more regulated company, with electricity networks as a major growth vector. This Plan defines the Company’s roadmap to boost electrification during the 2025-2028 period.

The Remuneration Committee has conducted extensive reviews of the Remuneration Policy to ensure that the principles, content and disclosures are in line with the expectations of stakeholders.

This review process takes into consideration the following issues, which derive from

the plan for continuous improvement developed by the Remuneration Committee:

- Information gathered annually through the Company's ongoing and transparent dialogue with its shareholders (retail and institutional) and proxy advisors on expectations regarding and possible modifications of the Policy.
- Proactive evaluation regarding whether the remuneration system encourages excessive or inappropriate risk-taking, in consultation with the Audit and Risk Supervision Committee.
- Results of the annual analysis of best remuneration practices at comparable companies and global companies with the advice of an independent expert.
- Results of best corporate governance practices, as well as acknowledgement of new developments in the area of transparency of the remuneration included in the annual director remuneration reports and follow-up on the General Shareholders' Meeting for the adoption of measures for improvement.
- Employee remuneration and how remuneration is aligned with Iberdrola's *Purpose and Values*.

The general lines of the new *Remuneration Policy* are similar to those of previous years, although certain significant milestones reached since the last review of the *Policy* were also taken into account, such as:

- changes in the composition and positions of the Board of Directors and its committees, following the replacement of the chief executive officer;
- the results after the end of the 2023-2025 Strategic Bonus evaluation period. Although ambitious, the objectives disclosed to the markets in the Strategic Plan 2023-2025 were comfortably outperformed by results that again broke records ("record after record");
- the main future challenges of the 2026-2028 Transformational Plan disclosed to the markets on 24 September 2025 at the Capital Markets Day, which updates the Company's commitments and reinforces the investment strategy, transforming Iberdrola's profile towards a more regulated company, with electricity networks as a major, predictable and profitable growth vector, maintaining financial strength and the growing dividend, creating long-term sustainable value, reaffirming the policy of shareholder remuneration in line with results (payout ratio) and increasing the "social dividend"; and
- flexibility in the ability to attract, retain and motivate the most qualified professionals so that the Company can meet its strategic objectives within an increasingly competitive and globalised framework;

The following changes have been included in the *Policy* as a strategic tool for the sustainable creation of value for all stakeholders:

For directors in their capacity as such:

- The permanent shareholding commitment (shareholding policy) for directors in their capacity as such is expanded to an amount equivalent to at least 25% of the annual fixed remuneration (instead of 20%) per year in office, to be held for a cumulative period of five years (instead of four years).
- The maximum aggregate amount of annual remuneration to be paid to all directors in their capacity as such, which was unchanged since 2008, is set at

€12,000,000 during each financial year that this Policy is in force, although the amounts of annual fixed remuneration per position and the attendance fees per meeting remain unchanged for 2026.

For officers:

- The permanent shareholding commitment (shareholding policy) is expanded for officers by setting the period during which they may not transfer ownership of the shares received at five years (instead of four years) unless an amount is retained that is equivalent to at least five times (500%) their fixed remuneration (instead of two times).
- With regard to cancellation (*malus*) or clawback clauses for amounts already paid as short- and long-term variable remuneration, it is clarified that the triggering circumstances include misconduct, defined as inappropriate or unethical behaviour that may cause damage to the Company's reputation, declared within the next three financial years, by means of a final court judgment.
- To boost and incentivise the pace at which strategic objectives are achieved (pay for performance), aligning the interests of officers with those of shareholders and considering the existing competitive advantage, it is necessary to motivate and retain profiles with a high strategic impact on the sustainable creation of value in contexts of economic volatility and geopolitical tensions.

These profiles provide the Company with a differential in terms of the combination of leadership, experience, skills and abilities, talent, dedication and innovation, and they have been backed by repeated international recognition over time.

In view of the foregoing, a long-term incentive via the delivery of shares linked to the 2026-2028 Outlook presented at Capital Markets Day on 24 September 2025 ("*2026-2028 Transformational LTIP*"), which will make it possible to maintain the Company's competitive advantage, is submitted for approval by the shareholders at the General Shareholders' Meeting.

2. Object and scope of application

At its meeting held on 17 March 2026, Iberdrola's Board of Directors, upon a proposal of the Remuneration Committee, resolved to submit this *Director and Officer Remuneration Policy* for the approval of the shareholders at the General Shareholders' Meeting 2026 as a separate item on the agenda, in compliance with the provisions of Section 529 *novodecies* of the Companies Act.

The purpose of this *Policy* is to establish the framework governing the remuneration of directors in their capacity as such and of officers, whether or not directors, as well as senior management ("**officers**"), reaffirming the policy of shareholder remuneration in line with results. The *Policy* is intended to promote appropriate remuneration principles and practices in order to contribute to the achievement of the Company's long-term strategic and sustainability goals, as well as to define the procedure for determining the revision and implementation thereof.

The Board of Directors has found that proper strategic decision-making and a clear commitment to the corporate values are two of the main factors determining the performance of companies, particularly in the energy sector. Companies may choose similar businesses, markets and technologies, yet they perform differently. Therefore, experience, skills and abilities, talent, effort, innovation, leadership and the ability to achieve the commitment to Iberdrola's purpose and values are the main differentiating elements.

The *Purpose and Values of the Iberdrola Group* define the Company as a driver of an electric, healthy and accessible energy model that is fully aligned with financial and sustainability objectives and consistent with the highest transparency and good governance, human and social capital, natural capital and compliance standards and requirements, and taking into account the sustainable value chain within the general framework of respect for and protection of human rights, the social market economy and generally accepted ethical principles.

Therefore, the ultimate purpose of this Policy, like that of the remuneration programmes for professionals of the Iberdrola group, is to make a decisive contribution to recruiting, retaining, motivating and developing the best talent, on fair and competitive terms, which is the best way to contribute to the business strategy and to the long-term interests and sustainability of the Company and of the Iberdrola group, as well as of its stakeholders, including the shareholders.

If approved by the shareholders at the General Shareholders' Meeting, this *Director and Officer Remuneration Policy* shall apply as from its approval for financial year 2026 and during financial years 2027, 2028 and 2029.

3. Directors in their capacity as such

3.1. Principles of the *Policy* and remuneration practices

The governing **principles** are the following:

Transparency

The Remuneration Committee assumes a commitment to enforce the principle of transparency of all the items of remuneration received by all directors, providing complete, relevant and adequate information in line with the good governance recommendations generally recognised in international markets in the area of director remuneration.

Equal opportunities

The Remuneration Committee endeavours to ensure equal opportunity, guaranteeing equal pay for equal work at all times, and making use of multiculturalism, skills and abilities, knowledge and experience.

Competitiveness for the creation of value

Adequately reward the dedication and responsibility assumed by directors to maximise the creation of value and commitment to the Company's *Purpose and Values*.

Ensure that the structure and total amount of remuneration allows for maximisation of shareholder return, the "social dividend" and the achievement of the long-term sustainability of the Company.

Comply with best practices by being competitive with comparable global companies in terms of capitalisation, turnover, complexity (including risk management and internal control), sustainable ambition, ownership structure and international presence within the framework of its commitment to all stakeholders.

To ensure the effectiveness of the *Remuneration Policy* through a cross-cutting approach, the Remuneration Committee applies the principles described above via the following **remuneration practices**:

Active and responsive listening

The Remuneration Committee takes into consideration the information received from the shareholders (retail and institutional) and from proxy advisors, as well as the analysis of their main expectations and of the various channels.

Consider skills and abilities on other committees

In the performance of its duties, the Remuneration Committee works proactively and in consultation with other committees, particularly the Audit and Risk Supervision Committee, the Sustainable Development Committee and the Appointments Committee.

Shareholding policy

A permanent shareholding policy is established for directors in their capacity as

such, of at least an amount equivalent to 25% of the annual fixed remuneration per year in office, to be held for a cumulative period of five years.

No guaranteed remuneration

There are no contracts with guaranteed remuneration (salary increases or variable remuneration).

No loans or advances

No loans or advances are given to directors.

3.2. Structure of remuneration

The remuneration to which directors are entitled in their capacity as such is structured in accordance with the following sections within the framework of legal and by-law provisions:

- **Maximum aggregate amount**

The maximum aggregate amount of annual remuneration to be paid to all directors in their capacity as such is €12,000,000 during each financial year that this *Policy* is in force. This aggregate maximum amount remained unchanged from 2008 and includes:

1. Fixed remuneration and attendance fees.
2. Employee benefits.
3. Commitment not to compete.

- **Fixed remuneration and attendance fees**

Over the last 10 years, Iberdrola has generated value of €115 billion as a result of having increased its capitalisation by close to €88 billion and distributed dividends of more than €27 billion. Total shareholder return (TSR) has been significantly higher than the top three American utilities by capitalisation, the Euro STOXX 50, the Euro STOXX Utilities and the IBEX 35.

The level of dedication and responsibility assumed by the members of the Board of Directors has increased considerably in recent years, mainly due to increased regulatory requirements and the complexity of the topics discussed at meetings of the Board and its committees, which has required more preparation time for each meeting.

In order to ensure its adjustment to the increase in responsibilities and workload, as well as to the size, internationalisation and complexity of the Company and to be competitive for the creation of value, recruitment and retention of qualified members with significant international experience, the Remuneration Committee, with the advice of an independent external party, performs an annual comparative benchmark analysis of the total remuneration of the directors for their membership on the Board of Directors and the committees thereof, according to the position held in each case, concluding that for 2026 the amounts remain unchanged as follows:

| (Thousands of euros) | Annual fixed remuneration |
|--------------------------------------|---------------------------|
| Chairman of the Board of Directors | 600 |
| Vice-Chair of the Board of Directors | 480 |
| Committee chair | 440 |
| Member of the Board of Directors (*) | 200 |
| Per member of each committee | 100 |

(*) Not cumulative with previous positions

| (Thousands of euros) | Attendance fees per meeting (**) |
|---|----------------------------------|
| Chairman of the Board of Directors | 6 |
| Vice-Chair of the Board of Directors | 4 |
| Committee chair at the chair's committee | 6 |
| Members of the Board of Directors and of the committees thereof | 4 |

(**) The Regulations of the Board of Directors provide that the Board of Directors must meet at least 8 times per year and the Executive Committee meets on average 12 times per year. The regulations of each of the committees provide for a maximum of seven meetings per year, except for the Audit and Risk Supervision Committee.

The Board of Directors is responsible for determining the annual fixed remuneration of the directors in their capacity as such, within the aggregate maximum amount, taking into account the positions held by each director on the Board of Directors and the membership thereof on delegated or consultative bodies of the Board of Directors, as well as their dedication to the Company.

The fixed remuneration for membership on the Board of Directors and the committees thereof and the holding of positions on such bodies is compatible with and independent from the remuneration to which the officers that are directors are entitled for the performance of their executive duties as provided in Section 4 of the *Policy*.

- **Benefits**

The remuneration system has civil liability policies for directors, risk benefits, health insurance and limited electricity allowances through rate concessions.

- **Shareholding policy**

A permanent shareholding policy is established for directors in their capacity as such, of at least an amount equivalent to 25% of the annual fixed remuneration per year in office, to be held for a cumulative period of five years.

This commitment reflects the directors' confidence in the business strategy and aligns the interests of the directors with those of the shareholders, demonstrating

their long-term commitment and encouraging the creation of value in the Company.

- **Commitment not to compete**

A director who ends the term of office to which the director was appointed or who, for any other reason, ceases to act as such, may not be a director or officer of, or provide services to, any entity whose object is similar, in whole or in part, to that of the Company or which is a competitor of the Company, for a term of two years. The Board of Directors may, if it deems it appropriate, relieve the outgoing director from this obligation or shorten the period thereof.

In the case of cessation of office of a non-executive director who is not a proprietary director (that is not due to a breach of director duties attributable to the director) prior to the end of the period for which they were appointed, the Board of Directors may ultimately resolve to provide compensation for an agreement not to compete.

The above circumstance must be justified and explained in the *Annual Report on Remuneration of Directors and Officers*.

4. Officers, whether or not directors

4.1. Principles of the Policy and remuneration practices

The following **principles** governing the officers, whether or not directors, encourage, among other things, flexibility in the ability to attract, retain and motivate the most qualified professionals so that the Company can meet its strategic objectives within an increasingly competitive and globalised framework.

Neutrality in variable remuneration for the creation of value

The Remuneration Committee shall endeavour to ensure the effective creation of value of any variable remuneration, well beyond just the general performance of the markets, the sector of activity in which the Company operates or similar circumstances.

Commitment to shareholder interests and long-term sustainability

Strengthen and encourage the achievement of the Company's strategic objectives through the incorporation of annual variable remuneration and long-term incentives, in order to align the interests of the officers, whether or not directors, with those of the shareholders, while maintaining competitive advantage, fostering a recruitment, retention, loyalty-building and motivational effect.

Proportionality with risk measures in remuneration systems

Set maximum limits to any variable remuneration as well as suitable mechanisms in order for the Company to be able to cancel (*malus* clause) or obtain reimbursement (clawback clause) of the variable components of remuneration.

The Company's Board of Directors may cancel or reclaim variable components of remuneration in the event of a material restatement of the financial

statements not reflecting a change in accounting standards, as well as situations of fraud or serious breach of law declared by final court judgment, as well as misconduct, defined as inappropriate or unethical behaviour that may cause damage to the Company's reputation, declared in the following three financial years by means of a final court judgment.

Alignment with the Company's professional remuneration policy

The Remuneration Committee regularly monitors the Company's remuneration practices, ensuring an appropriate and equitable pay structure at all levels.

These efforts, among others, have fostered strong professional commitment, the lowest voluntary attrition rates in the industry and a workforce characterised by a high sense of belonging and loyalty.

To ensure the effectiveness of the *Remuneration Policy* through a cross-cutting approach, the Remuneration Committee applies the principles described above via the following **remuneration practices**:

Deferred payment of long-term variable remuneration

The delivery of shares under the long-term variable remuneration system is paid on a deferred basis. In the case of the Company's performance-linked long-term incentive plan, payment is by thirds over a three-year period, with no overlapping of plans.

Shareholding policy

Ownership of the shares received may not be transferred for a period of five years unless an amount equivalent to at least five times (500%) the fixed remuneration is maintained.

No share delivery plans with capital increases

Share delivery plans are not implemented by means of capital increases or similar instruments.

No hedging

Hedging of the Company's share-based remuneration plans is not authorised.

Hedging, pledging or short-selling of or derivatives contracts on shares received in variable remuneration schemes is not permitted.

Competitive advantage

Maintain the Company's competitive advantage by establishing a remuneration package that guarantees recruitment, retention and loyalty-building in contexts of economic volatility and geopolitical tensions, for profiles with a high strategic impact on the sustainable creation of value for the Company.

These profiles provide the Company with a differential in terms of the combination of experience, skills and abilities, talent, dedication, innovation and a devotion to leadership, and they have been backed by repeated international recognition over time.

4.2. Structure of remuneration

The principles of the *Policy* are implemented through an appropriate remuneration mix that includes:

1. Fixed remuneration.
2. Short-term variable remuneration (annual bonus).
3. Long-term variable remuneration: share delivery plan.
4. Employee benefits.

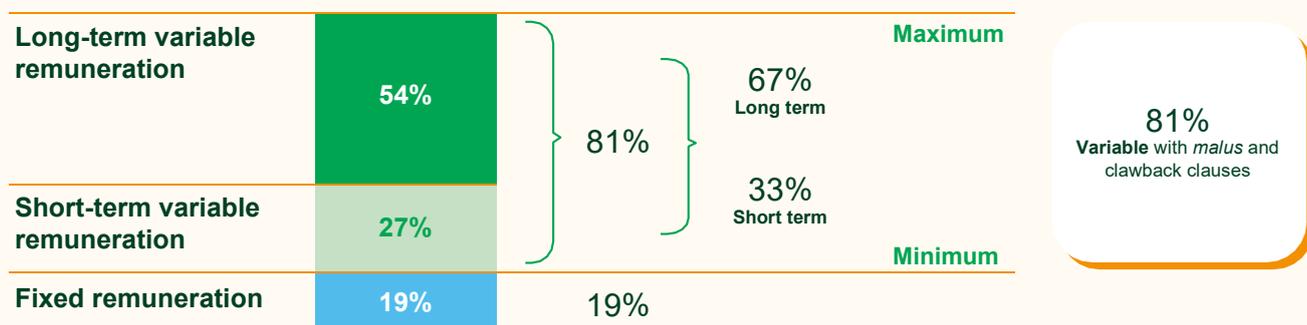
In determining the proportion of each element of total remuneration (remuneration mix), the Remuneration Committee continuously monitors market practices and trends.

| Principles of the <i>Remuneration Policy</i> | Elements of the <i>Remuneration Policy</i> | | |
|---|--|---|---------------------------------|
| | Fixed remuneration | Short-term variable remuneration (annual bonus) | Long-term variable remuneration |
| Transparency | • | • | • |
| Equal opportunities | • | • | • |
| Alignment with the remuneration policy for the Company's professionals | • | • | • |
| Competitiveness for the creation of value | • | • | • |
| Neutrality in variable remuneration for the creation of value | | • | • |
| Long-term commitment to the interests of the shareholders and to sustainability | | • | • |
| Proportionality to risk measures in the remuneration systems | | • | • |

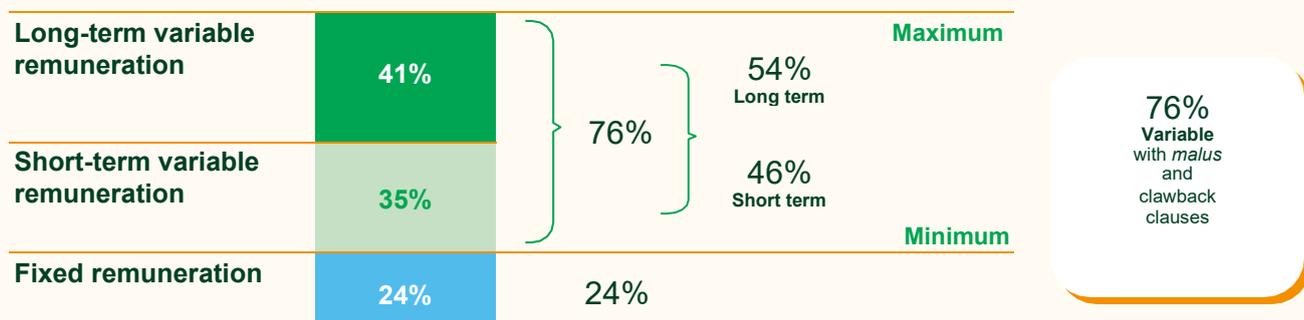
The specific weights of each element of the remuneration mix for each financial year shall be identified in the corresponding *Annual Report on Remuneration of Directors and Officers*.

The potential remuneration mix is shown below, taking into account the different target achievement scenarios:

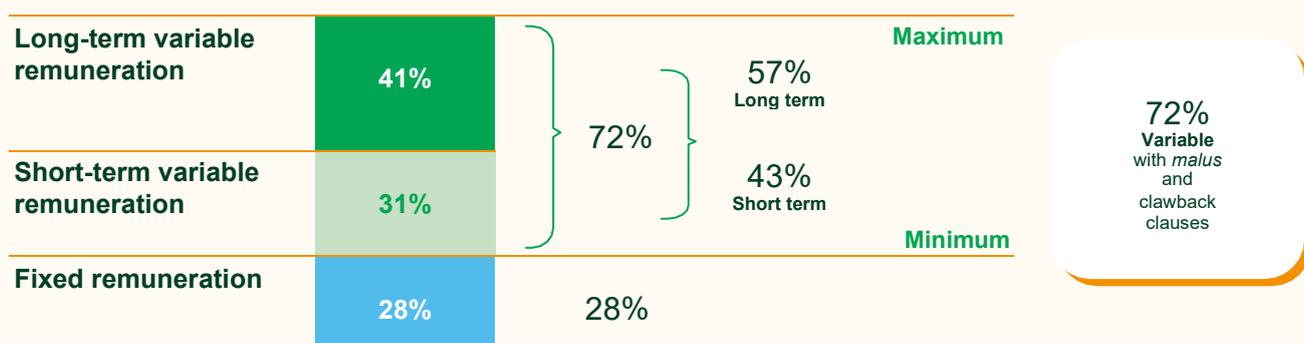
Executive chairman



Chief Executive Officer



Other officers



(*) The share price at the award date is taken into account for long-term variable remuneration.

(**) Other officers: do not participate in annual variable remuneration systems and are not beneficiaries of the long-term incentive for officers assigned to divisions or areas that report hierarchically to the chairman of the Board of Directors of Iberdrola, S.A. and functionally to the Audit and Risk Supervision Committee or divisions or areas linked to the Sustainable Development Committee, including the Internal Audit and Risk and Compliance Committees, in order to ensure the necessary autonomy and independence of these functions, which are part of the second and third lines of defence and reinforce the effectiveness of the Company's internal control system.

- Fixed remuneration**

Remuneration of officers, whether or not directors, may vary according to the specific responsibilities and characteristics of the duties performed. The fixed remuneration of the executive chairman and of the chief executive officer are reviewed annually by the Board of Directors, upon a proposal of the Remuneration Committee, considering, in particular and without limitation, the following factors: the financial situation of the Company, market standards, merit and worth, retention risks, and general salary updates within the Iberdrola group. For these purposes, the Remuneration Committee may rely

on external advisors to perform the market studies and analyses that it deems appropriate.

In 2026, the annual fixed remuneration for the executive chairman is €2,250,000 (which has remained unchanged since 2008) and for the chief executive officer it is €1,000,000 (which has remained unchanged since 2022). The Board of Directors, at the proposal of and following a reasoned report from the Remuneration Committee, has the ability to revise the fixed remuneration during the term of this *Policy*.

- **Short-term variable remuneration (annual bonus)**

Purpose

A portion of the annual remuneration of the officers is variable, in order to incentivise the achievement of the Company's annual objectives and those specific to the position, aligning dedication and efforts with the business strategy. These objectives are established through metrics whose level of achievement determines the performance of the officers and are evaluated by an independent external third party.

Metrics

Linked to the achievement of predetermined, specific, measurable, challenging and clear quantitative and qualitative strategic objectives, aligned with the *Purpose and Values*, the achievement of the business strategy and the long-term interests and sustainability of the Company.

The pool of targets is related to parameters that allow for growth, predictability, profitability and security, such as:

Financial:

- Net profit, gross operating income (EBITDA), etc.
- Investments with a focus on countries with an "A" rating.
- Shareholder remuneration.
- Financial strength.
- Capital allocation with rotation of assets and partnerships.
- Efficiency level of the group.

Operational:

- Selection and implementation of investments.
- Installed capacity.
- Network assets.
- Regulatory aspects.

Sustainability:

- Governance, ethics and transparency.
- Electrification.
- Sustainable finance.
- Equal opportunities and occupational health and safety.

- Customers (quality of supply, access to network points).

Each metric has a related achievement scale where a minimum threshold and an upper limit are set. If the minimum compliance level is not reached, no short-term variable remuneration will accrue and if a compliance level above the maximum limit is reached, no annual variable remuneration will accrue with an achievement percentage above 100%, without generating additional payments for over-compliance levels.

For each of the metrics, any intermediate results will be calculated by linear interpolation.

The specific weights and parameters for each financial year to which the short-term variable remuneration will be linked are published in the corresponding *Annual Report on Remuneration of Officers and Directors*.

Maximum amount

The maximum limit of the annual variable remuneration is set at 150% of the fixed remuneration, which will be reached in the event of 100% achievement. The Board of Directors has resolved to maintain the maximum limit of annual variable remuneration for the executive chairman at 144% (unchanged in the last 10 years) and for the chief executive officer at 150% (unchanged since 2022).

The maximum limit on short-term variable remuneration, as well as the level of achievement reached, shall be reported annually in the corresponding *Annual Report on Remuneration of Directors and Officers*.

Operation

The Remuneration Committee, in consultation with the Audit and Risk Supervision Committee and the Sustainable Development Committee, shall evaluate the performance of the executive chairman and the chief executive officer, for which purposes it may rely on the advice of an independent expert, and it shall submit a reasoned proposal to the Board of Directors for approval thereof.

The Board of Directors, on the basis of the proposal made by the Remuneration Committee, taking into account, among other factors, exceptional circumstances (including significant corporate transactions) occurring during the year, shall have a margin of discretion in assessing compliance with the indicators that may give rise to both upward and downward adjustments. Any use of this discretionality must be justified and explained in the *Annual Report on Remuneration of Directors and Officers*.

The payment of the annual variable remuneration of the executive chairman and chief executive officer is made entirely in cash after the annual financial statements have been formulated by the Board of Directors and subsequently audited.

In accordance with the proposal, if any, made by the Remuneration Committee,

the Board of Directors may approve the cancellation of outstanding payments (*malus* clauses) and the reimbursement of amounts paid (clawback clauses). The cases that trigger *malus* and clawback clauses, as well as the applicable internal procedures, are described in section 4 of the *Policy*.

- **Long-term variable remuneration: share delivery plan linked to the achievement of the Company's strategic objectives**

Purpose

Encourage commitment to Iberdrola's business enterprise over the long term, linking remuneration to the sustainable achievement of the strategic objectives of the Company, the maximisation of the "social dividend" and shareholder return (pay for performance).

Maintain the Company's competitive advantage linked to its human capital, by retaining and building loyalty with profiles with a high strategic impact on the sustainable creation of value, in contexts of economic volatility and geopolitical tensions.

This is implemented through share delivery plans linked to the achievement of long-term objectives, which are submitted for the *ex ante* approval of the shareholders at a General Shareholders' Meeting, also setting the objective and quantifiable parameters determining the accrual thereof as well as their relative weighting.

These plans have a typical duration of six years (three for performance evaluation and three for payment) and are granted every three years rather than annually, which ensures that there is no overlap.

As at the date of this *Policy*, the 2023-2025 Strategic Bonus approved by the shareholders at the General Shareholders' Meeting held on 28 April 2023 and for which the period for evaluating the level of achievement ended on 31 December 2025, with a 100% objective achievement level, is in the three-year payment period (with one of the three deliveries scheduled between financial years 2026 and 2028 having been made).



Additionally submitted for the approval of the shareholders at the General Shareholders' Meeting to which this *Policy* is also submitted is a new performance-based share delivery plan, in this case linked to the 2026-2028 Outlook presented at Capital Markets Day on 24 September 2025 (the 2026-2028 *Transformational LTIP*), which will also have a duration of six years, with the period between financial years 2026 and 2028 being the period for evaluation of the performance level and the period between financial years 2029 and 2031 being its payment period, which will entail the deferred delivery of shares over those three years.

Metrics

These share delivery plans are linked to the achievement of strategic, quantitative and qualitative, predetermined, specific, quantifiable, challenging and clear objectives (each parameter is assigned a specific weighting as well as a minimum level above which it is considered to be achieved and another level above which it is considered fully achieved), a description of which shall be provided in the *Annual Report on Remuneration of Officers and Directors*.

These metrics are aligned with the achievement of the business strategy and the long-term interests and sustainability of the Company.

Maximum amount

The maximum number of shares that may be allocated under the performance-based share delivery plan linked to the achievement of the Company's strategic objectives is submitted for the approval of the shareholders at the General Shareholders' Meeting, describing those corresponding to officers who are directors.

2023-2025 Strategic Bonus

The 2023-2025 Strategic Bonus was approved by the shareholders at the

General Shareholders' Meeting held on 28 April 2023 and contemplates a maximum number of 14,000,000 shares, linked to the achievement of the objectives disclosed to the markets within the framework of the Strategic Plan 2023-2025, which, although ambitious, were comfortably outperformed by results that again broke records ("record after record") thanks to a cohesive management team, led by the Company's executive chairman.

In the exercise of the powers granted by the shareholders at the aforementioned General Meeting and without exceeding the maximum number of authorised shares or changing the essential terms and conditions of the approved remuneration system, the Board of Directors has resolved to adjust the individual allocation to a limited number of beneficiaries, whose skills and abilities have been key to the achievement of the excellent results and in order to strengthen the retention of key profiles for the creation of long-term value, with such adjustment amounting to the equivalent of two times annual remuneration out of the three comprising the 2023-2025 Strategic Bonus, all within the overall share limit approved by the shareholders at the General Meeting.

Such beneficiaries are officers of the Group, including executive directors where applicable, and the allocation for the latter may reach a maximum of 1.5 million shares.

2026-2028 Transformational LTIP

During the financial year, Iberdrola has integrated AVANGRID, Inc., Neoenergia, S.A. and Electricity North West Limited, which had their own long-term variable remuneration plans (LTIPs) in the 2023-2025 period.

Therefore, they will be integrated into the Group's remuneration plans and policies for the 2026-2028 period. To implement this, the maximum number of shares that will be submitted for the approval of the shareholders at the General Shareholders' Meeting will be 20,000,000 shares, compared to the 14,000,000 shares for the previous plan in the 2023-2025 period.

The maximum number of overall shares for the executive chairman and for the chief executive officer at any time is up to 25% of the maximum number of shares.

Operation

In general, the performance-based share delivery plans linked to the achievement of the Company's strategic objectives have a duration of six years, of which the initial three-year period is the period for evaluating the performance level compared to the parameters to which the plan is linked, and the one comprising the next three financial years is its payment period, which occurs through the delivery of shares. These plans are awarded every three years rather than annually, which ensures that there is no overlap between them. Therefore, the delivery of shares under this plan linked to the achievement of strategic objectives is deferred for three years.

The payment of these plans takes place through the delivery of shares purchased in the market, and not through the issue of new shares.

The Board of Directors, upon a proposal of the Remuneration Committee, which may be assisted by an independent expert, must evaluate the Company's performance regarding the goals described for each plan and determine the level of achievement thereof.

Circumstances occurring after the approval of each of the plans that have a significant positive or negative impact on the Company's key economic variables (including significant corporate transactions) may be taken into account for the proper overall assessment of performance.

The level of achievement reached shall be reported in the corresponding *Annual Report on Remuneration of Directors and Officer*.

After the end of the evaluation period of each performance-based share delivery plan, the plan will vest annually and equally in the following three financial years. Each annual accrual and the corresponding payment thereof must be approved by the Board of Directors, after a report from the Remuneration Committee.

In this connection, during each of the three years of the accrual and payment period and for each delivery of shares, it is expected that there will be an evaluation whether to confirm or totally or partially cancel the corresponding payment and, if applicable, to claim the total or partial reimbursement of the shares already delivered (or the amount thereof in cash).

- **Benefits**

The officers, whether or not directors, may be insured under a long-term savings scheme, implemented through an insurance policy that provides coverage for the supplementary social security contributions regime. This is a defined contribution plan applicable for retirement, death and disability, meaning that the officers will have the financial rights acquired on retirement, and the grounds for any early termination of the contractual relationship will determine the rights thereof.

Since 2011, for new contracts signed with officers, retirement pay has been up to two times annual remuneration.

Currently, the executive chairman is not a participant in any long-term savings system, and the chief executive officer is insured under the group life insurance policy, with a commitment made in 2010 when he was Chief Development Officer of Iberdrola, S.A., which has not been modified by his appointment as chief executive officer.

The remuneration system for the officers, like that for the professionals of Iberdrola, has civil liability policies for the holding of the position, life and accident insurance, health insurance, limited electricity allowances through rate concessions and other benefits in line with market practice followed by comparable global companies.

- **Malus and clawback clauses**

The Board of Directors, with due regard to any proposal made by the Remuneration Committee, has the power to totally or partially cancel the payment of both short-term and long-term variable remuneration, as well as to demand the partial or total return of short-term and long-term remuneration already paid.

These circumstances include the case of a material restatement during the next three financial years of the financial statements on which the Board of Directors based the evaluation of the performance level, provided that said restatement is confirmed by the external auditors and is not due to a change in accounting standards, situations of fraud or serious breach of law declared by final court judgement, as well as misconduct, defined as inappropriate or unethical behaviour that may cause damage to the company's reputation, declared within the next three financial years, by means of a final court judgment.

The procedure for the application and determination of the amounts or shares subject to cancellation or reimbursement establishes a period of thirty (30) days for reimbursement to the Company. This period also includes a hearing.

- **Shareholding policy**

The officers may not transfer ownership of shares received for a period of four years unless they hold an amount equal to at least five times (500%) their fixed remuneration.

- **Remuneration for holding the position of director at other companies**

Officers who hold the position of director at companies in which the Company has a direct or indirect interest may receive remuneration corresponding to the position subject to the approval of the board of directors of said companies, in accordance with their corporate governance rules and the legal requirements of each country, on the same terms as the other external directors.

- **Appointment of new officers who are directors**

The remuneration of new officers who are directors shall conform to the provisions of the *Remuneration Policy*. The fixed remuneration shall be set on the date of their appointment, particularly taking into account their level of remuneration prior to their promotion or hiring, market terms and terms applicable to comparable positions, their experience and qualification level, and the duties assigned and responsibilities assumed.

New officers who are directors shall participate in annual and long-term incentives based on the same principles as those applicable to directors holding the position at the time of their appointment.

If a new director with executive duties joins the Company, the Company may offer incentives, in cash or shares, to compensate for variable remuneration or contractual rights forfeited upon leaving their office.

5. Contract terms and conditions

The terms and conditions of contracts for the officers, whether or not directors, are as follows:

Duration

The contracts of the Company's officers are of indefinite duration.

Applicable legal provisions

The contracts with the officers of the Company are governed by the legal provisions applicable to senior officer special employment relationship agreements or by such special terms and conditions of the common employment system (*régimen laboral común*) as are determined by the Company or as legally apply from time to time.

The legal provisions applicable to the contracts of the executive chairman and chief executive officer are those provided for by the legal system in each case, based on commercial law.

Compliance with the Governance and Sustainability System

All of the officers of the Company have the duty to strictly observe the rules and provisions contained in the Company's Governance and Sustainability System to the extent applicable thereto.

Non-compete clause

The contracts with the officers in all cases establish a duty not to compete with respect to companies and activities that are similar in nature to those of the Company and of the other companies of the Group, during the term of their relationship with the Company and for a period of not less than one year following termination thereof, and also provide for consideration for each year of duration of such agreement not to compete.

The contractual relationship with the executive chairman 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 period of three years after the termination of the contract. In compensation for this commitment, he is entitled to a severance payment equal to two times annual remuneration.

In the case of the chief executive officer, during 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.

Confidentiality and return of documents

A rigorous duty of confidentiality is established, which must be assumed by the officer and complied with both during the term of the contract and once the relationship has terminated, with the Company reserving the right to bring such

legal actions as may be appropriate to defend its interests. In addition, the officer must return to the Company any documents and items relating to the officer's activity that are in the possession thereof upon termination of the relationship with the Company, in accordance with such terms and conditions as are set forth by the Company.

Severance pay

The contracts of the officers contemplate financial compensation in the event of termination of the contractual relationship with the Company, provided that such termination does not occur exclusively due to the professional's decision to withdraw or as a result of a breach of the duties thereof. The amount of the severance payment is established in accordance with length of service and the reasons for the professional's cessation of office, up to a maximum of five times annual salary.

Since 2011, for new contracts signed with officers, the limit on the amount of severance pay is two years' salary, and as at 31 December 2025 there are a total of two contracts with a severance pay limit higher than two years' salary, which means that from 2001 to 31 December 2023, the number of officers with a severance pay limit higher than two years' salary has been almost eliminated.

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.

Application of *malus* and clawback clauses

Provided for in contracts with officers of the Company, for both short-term variable remuneration and long-term variable remuneration.

6. Alignment with business strategy, interests and long-term sustainability

The following features of the *Policy* ensure consistency with long-term strategy, interests and sustainability focused on the achievement of long-term results:

- Remuneration of the officers, whether or not directors, is mainly comprised of:
 - (i) fixed remuneration (ii) short-term variable remuneration (annual bonus) and (iii) long-term variable remuneration.

- In considering the Company's competitive advantage, the remuneration mix and total remuneration are designed in such a way as to recruit and retain the best talent and align their conduct with the interests of the Iberdrola group and the achievement of its business strategy, promoting long-term sustainability, in accordance with best practices.
- An appropriate balance between fixed and variable components of remuneration is established: officers have a variable remuneration system with risk measures ensuring that no variable remuneration is paid if they do not meet the minimum achievement threshold.
- The weight of variable remuneration, both short and long term, for the 2026 annual payment, in a scenario of maximum target achievement, is 81% for the executive chairman and 76% for the chief executive officer. The above pay-for-performance percentages are remuneration connected to the achievement of objectives.
- The share delivery plans linked to achieving strategic objectives are designed as multi-year plans with deferred delivery of shares that seek to encourage commitment to the long-term strategic objectives, aligning part of the remuneration with the creation of value and shareholder return and the maximisation of its "social dividend".
- The officers may not transfer ownership of shares received for a period of five years unless they hold an amount equal to at least twice their annual fixed remuneration (shareholding policy).
- Both short- and long-term variable remuneration is subject to the application of clauses for the cancellation (*malus*) or reimbursement (clawback) of variable remuneration.

In addition, the following measures allow for a reduction in exposure to excessive risks and strengthen alignment with the long-term objectives, values and interests of the Company:

- Iberdrola's Remuneration Committee is currently composed of three members, 67% of whom are independent directors (two members) and 33% are external directors (one member).
- The Remuneration Committee is responsible for proposing, reviewing, analysing and implementing the *Director and Officer Remuneration Policy*.
- The Company's Audit and Risk Supervision Committee participates in the process of evaluating whether the remuneration system encourages excessive or inappropriate risk-taking. This evaluation takes into account the nature of Iberdrola's risks in the design of variable remuneration plans.
- The Sustainable Development Committee participates in the process of assessing the appropriate translation of the Company's sustainable development strategy into the remuneration system. This evaluation takes into account Iberdrola's commitment to sustainable development in the design of variable remuneration plans.
- There is no guaranteed variable remuneration with risk measures whereby no variable remuneration is paid if the minimum threshold of achievement is not reached, always subject to the authorised maximum limits.

7. Consideration of the terms and conditions of remuneration and employment of the Company's professionals

People fundamentally determine the differential advantage between competitive companies and those that are not, as well as between those that sustainably create value and those that gradually lose their ability to generate wealth.

The Remuneration Committee regularly reviews the general remuneration programmes for the group's professionals, assessing the suitability and results thereof, and it takes them into account when determining the *Director and Officer Remuneration Policy*.

The Remuneration Committee considers it a priority for the remuneration system to promote the strengthening of its human capital, as the main competitive advantage with respect to its competitors.

The principles of conduct informing the remuneration systems are:

- Favour the recruitment, hiring and retention of the best professionals.
- In establishing working conditions, promote the principle of equal pay for equal work, ensuring adequate and competitive salaries and offering, when applicable, a range of company benefits, aligned with the various socio-employment realities.
- Maintain consistency between its strategic positioning and that of the Group, and with its objective of excellence, as well as with the international and multicultural reality of the Group.
- Recognise and reward the dedication, responsibility and performance of its professionals by using neutral and objective criteria related to merit, skill and results obtained by those professionals.
- Promote the appropriate integration of professionals into their working group by establishing remuneration conditions according to the responsibilities and other requirements of the position.
- Be and stay at the forefront of the market.

8. Temporary exceptions

In accordance with the provisions of Section 529 *novodecies.6* of the Companies Act, after a favourable report from the Remuneration Committee, which will rely on reports from independent third parties, temporary adjustments may be applied to the variable components of the remuneration (both short- and long-term) of officers.

These upward and downward adjustments will be explained in the *Annual Report on Remuneration of Directors and Officers*.

9. Governance of the *Policy*

The decision-making process for the determination, review and implementation of the *Policy* is described below.

General Shareholders' Meeting

- Approves the *Director and Officer Remuneration Policy*, which constitutes the Company's highest-level set of regulations on director remuneration after the By-Laws.
- Approves the remuneration of the directors consisting of the delivery of shares of the Company or of any options thereon or which is indexed to the price of the Company's shares.

Board of Directors

- Proposes to the shareholders at the General Shareholders' Meeting the *Director and Officer Remuneration Policy* upon a proposal of the Remuneration Committee.
- Approves the remuneration of the directors and officers upon a proposal of the Remuneration Committee.
- Upon a proposal of the Remuneration Committee, proposes variable share-based remuneration plans for approval by the shareholders at a General Shareholders' Meeting.
- Approves the performance of the officers in terms of short-term variable remuneration and the performance of the Company in terms of long-term variable remuneration upon a proposal of the Remuneration Committee.
- In order to retain and recruit the talent that a leading company like Iberdrola requires, the Board of Directors, upon a proposal of the Remuneration Committee, which will receive reports from independent third parties, may adapt the implementation of the *Director and Officer Remuneration Policy* to the specific needs that may arise within market parameters, reporting and explaining the financial impacts on the terms established by law at the General Shareholders' Meeting.

Remuneration Committee

- Submits the proposed Director and Officer Remuneration Policy to the Board of Directors for approval and subsequent submission to the shareholders at the General Shareholders' Meeting, issuing the corresponding specific explanatory report required by Section 529 *novodecies* of the Companies Act.
- Regularly reviews the *Director and Officer Remuneration Policy*, proposing to the Board of Directors any amendment and update thereof and reporting thereto on any issues that may arise in connection with the interpretation and application of said *Policy* and standards. In the process of reviewing the *Policy*, the Remuneration Committee considers employee remuneration and how remuneration is aligned with the *Purpose and Values* of Iberdrola.
- Proposes to the Board of Directors the system and amount of the annual remuneration of the directors, as well as the individual remuneration of the officers and the other terms and conditions of their contracts, including fixed remuneration, annual or multi-year variable remuneration, share-based incentive plans and any potential compensation or severance payment that may be established in the event of removal, in all cases in accordance with the provisions of the Governance and Sustainability System and the Director and Officer Remuneration Policy.

- Endeavours to ensure that the Board of Directors is in a position to approve in advance the application, objectives, standards and metrics of the various items of remuneration established for the current financial year in accordance with the Policy approved by the shareholders at the General Shareholders' Meeting.
- Ensures that the Board of Directors is in a position to evaluate the achievement of the objectives, standards and metrics established during the previous year to determine the variable remuneration earned by the officers in that year sufficiently in advance. And, if applicable, for short- and long-term variable remuneration, proposes to the Board the cancellation or reimbursement of remuneration that has been paid to the respective beneficiaries.
- In consultation with other committees, particularly the Audit and Risk Supervision Committee, the Remuneration Committee evaluates whether the remuneration system encourages excessive or inappropriate risk-taking. This evaluation takes into account the nature of Iberdrola's risks in the design of variable remuneration plans.
- In consultation with other committees, particularly the Sustainable Development Committee, the Remuneration Committee evaluates the appropriate transposition of the Company's sustainable development strategy.
- Annually verifies, on the basis of information provided to the Remuneration Committee, that the remuneration policies for directors and officers are properly applied, whether circumstances have arisen that justify the application of "malus" (cancellation) or "clawback" (reimbursement) clauses, and proposes, if appropriate, suitable measures to recover any amounts that may be due or any change to existing plans.
- Oversees compliance with the Company's remuneration schemes and reports on the documents to be approved by the Board of Directors on remuneration, including, among others, the *Annual Report on Remuneration of Directors and Officers* and the corresponding sections of the Company's *Annual Corporate Governance Report*.
- Regularly reviews the general remuneration programmes for the group's professionals, assessing the suitability and results thereof, considering that they promote physical, mental and emotional well-being, as well as a healthy, safe, pleasant, diverse and inclusive working environment.

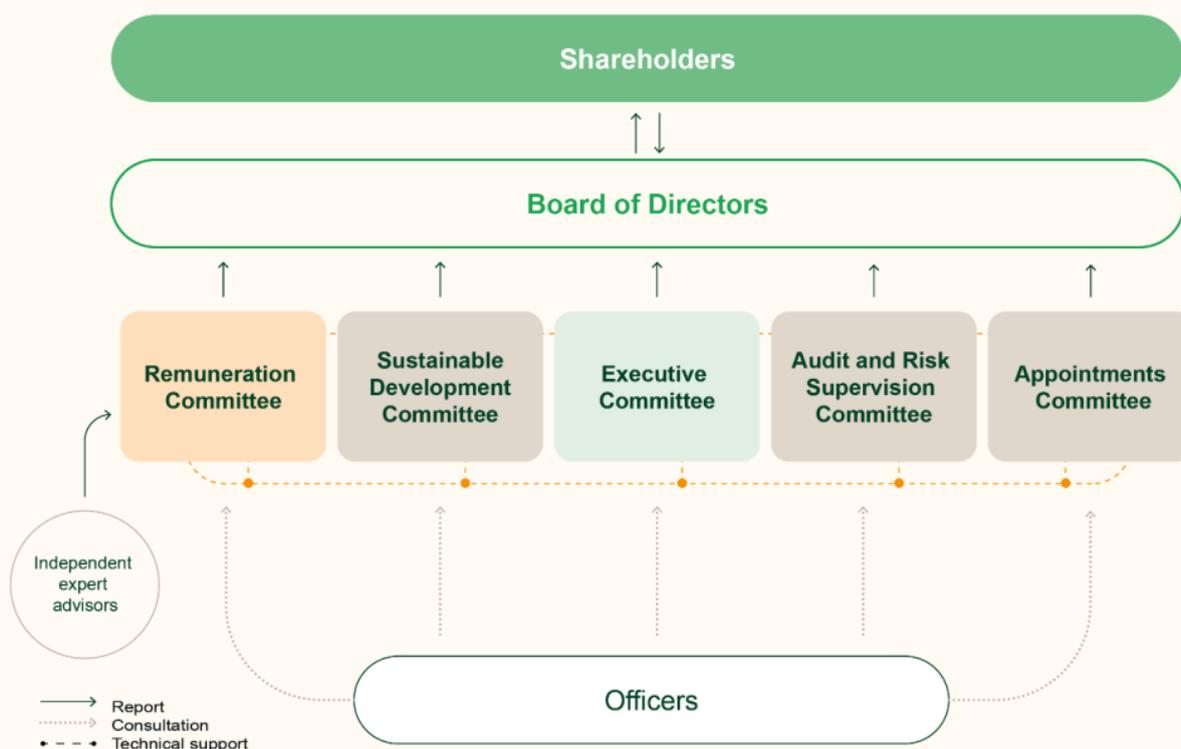
External advisors of the Remuneration Committee

- Performs an appropriate assessment of the independence of the external advisor if the participation thereof is required for the preparation of the *Director and Officer Remuneration Policy*.
- Seeks the help or advice of external professionals, who must address their reports directly to the chair of the Remuneration Committee, endeavouring to ensure that any possible conflicts of interest do not prejudice the independence of the external advice received.

Interaction of the Remuneration Committee

In its decision-making process, the Remuneration Committee takes into account the opinion of independent external advisors, together with the experience and skills present in other committees of the Board of Directors, working proactively and in consultation with other committees, particularly the Audit and Risk Supervision Committee, the Sustainable Development Committee and the Appointments Committee, as well as the technical support of the officers, to ensure the effectiveness of the Remuneration Policy through a generalised approach.

In consultation with other committees, particularly the Audit and Risk Supervision Committee, the Remuneration Committee evaluates whether the remuneration system encourages excessive or inappropriate risk-taking. This evaluation takes into account the nature of Iberdrola's risks in the design of variable remuneration plans. In consultation with other committees, particularly the Sustainable Development Committee, the Remuneration Committee evaluates the appropriate transposition of the Company's sustainable development strategy. This evaluation takes into account Iberdrola's commitment to sustainable development in the design of variable remuneration plans.



10. Effectiveness

This *Director and Officer Remuneration Policy* shall be in effect as from the date of approval hereof by the shareholders acting at the General Shareholders' Meeting for financial year 2026 and during financial years 2027, 2028 and 2029.

* * *

This *Director and Officer Remuneration Policy* was initially approved by the Board of Directors on 18 December 2007 and was last approved by the shareholders at the Company's General Shareholders' Meeting held on 29 May 2026.



General Shareholders' Meeting

29 May 2026



Sustainable
Event



Report of the Board of Directors

Ratification of appointment and re-election of directors

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1. Object of the report

This explanatory report has been prepared by the Board of Directors of "Iberdrola, S.A." (the "**Company**") in accordance with the provisions of Section 529 *decies* of the Spanish "Companies Act" (*Ley de Sociedades de Capital*) in relation to the following proposals being submitted to the shareholders at the General Shareholders' Meeting:

- the re-election of Ms. María Ángeles Alcalá Díaz as a director under the category of independent director (item 14 on the agenda for the General Shareholders' Meeting);
- the re-election of Ms. Isabel García Tejerina as a director under the category of independent director (item 15 on the agenda for the General Shareholders' Meeting);
- the re-election of Mr Anthony L. Gardner as a director under the category of independent director (item 16 on the agenda for the General Shareholders' Meeting);
- the ratification of the interim appointment (co-option) and re-election of Ms Marina Freitas Gonçalves de Araújo Grossi as a director under the category of independent director (item 17 on the agenda for the General Shareholders' Meeting); and
- the ratification of the interim appointment (co-option) and re-election of Mr Pedro Azagra Blázquez as a director under the category of executive director (item 18 on the agenda for the General Shareholders' Meeting).

In preparing this report, the Board of Directors has taken into account the conclusions set forth in the corresponding proposals of the Appointments Committee made on 4 March 2026 regarding the re-election of Ms María Ángeles Alcalá Díaz, Ms Isabel García Tejerina and Mr Anthony L. Gardner as independent directors of the Company, which are attached as annexes to this report, and which conclude by proposing the re-election of the three candidates.

Regarding the ratification of the interim appointment (co-option) and re-election of Ms Marina Freitas Gonçalves de Araújo Grossi as an independent director of the Company, in preparing this report the Board of Directors has taken into account the conclusions set forth in the proposal of the Appointments Committee made on 12 March 2026, which is attached as an annex to this report, and which concludes by

proposing the ratification of the interim appointment (co-option) and re-election of Ms Freitas Gonçalves de Araújo Grossi.

The Board of Directors also shares the conclusions of the report of the Appointments Committee issued on 4 March 2026, which is attached as an annex to this report, in favour of the ratification of the interim appointment (co-option) of Mr Pedro Azagra Blázquez and his re-election as an executive director.

The aforementioned proposals and the report of the Appointments Committee contain the information required by Article 12.1.e of the “Regulations for the General Shareholders' Meeting” regarding each of the candidates and fall within the selection criteria (particularly skills, knowledge and experience) defined by the Appointments Committee in the skills matrix of the Board of Directors, which also examines the appropriateness of each re-election prior to the end of the term for which a director was appointed and, if relevant, evaluates the quality of their work and dedication to the position during the preceding term of office.

As will be seen below in the information relating to each of the candidates, the proposed re-elections concern candidates who, based on the skills matrix prepared by the Appointments Committee, have suitable profiles for performing the duties of the Board of Directors and its committees, due to their skills related to experience in the sector in which the Company does business; management and strategy; audit, finance and risk management; global markets and geopolitics; allocation of capital (experience in financial markets and in the supervision of large-scale corporate transactions); the legal and regulatory area; sustainability (including climate change), digitalisation and cybersecurity; as well as operations and the supply chain, among others.

The composition of the Board of Directors is a key element for good corporate governance, insofar as it affects its efficiency and influences the quality of its decisions and its capacity to effectively promote the corporate interest. The Company therefore promotes the multifaceted, independent, appropriate and balanced composition of this body, with regular staggered renewal of its members, whose complementary nature reflects the social and cultural reality of “Iberdrola, S.A.” and enriches the deliberations and resolutions adopted by the Board of Directors and its committees, by means of the contribution of multiple viewpoints on the matters within its purview.

Therefore, based on the proposals and report of the Appointments Committee, the Board of Directors finds that the process of re-election of the candidates does not suffer from implicit bias that might entail any kind of discrimination.

In addition, the proposals submitted to the shareholders at the General Shareholders' Meeting, considered as a whole, on the one hand strengthen the high level of independence of the management decision-making body, as well as consolidating, on the other, an appropriate combination of abilities, skills, knowledge, competencies and experience that is suited not only to the matters required for the performance of its duties, but also to the sector-specific needs and competitive position of the

Company, which enables the Board of Directors to better perform the duties entrusted thereto.

In this regard, if the proposals submitted to the shareholders at the General Shareholders' Meeting are approved, the Board of Directors would be composed of fourteen members, two of whom would be classified as executive (14.29% of the total number of directors), eleven of whom would be classified as independent (78.57% of the total) and one of whom would be classified as other external (7.14% of the total), with a large majority of external directors (85.71% of the total).

Furthermore, the proposals would maintain the presence of directors with five nationalities (Spain, the United States of America, the United Kingdom, Brazil and Italy) and a balanced composition of women and men, with the less represented gender above 42% of the total number of members of the Board of Directors.

In addition, in relation to the foregoing, the Company would remain ahead of the requirements for gender balance on management decision-making bodies, anticipating the percentages required in Spain as from 30 June 2026, which the Company has already complied continuously met since 2021¹.

The Company was more than 8.5 percentage points higher than the average percentage of women on the boards of directors of Ibex-35 companies at financial year-end 2021 and still maintained a difference of more than 1.5 percentage points at financial year-end 2024².

2. Competence, experience and merits of Ms María Ángeles Alcalá Díaz, whose re-election as a director is submitted to the shareholders at the General Shareholders' Meeting

The competence, experience and merits of Ms María Ángeles Alcalá Díaz, whose re-election as an independent director is submitted to the shareholders at the General Shareholders' Meeting, are described in detail in the proposal of the Appointments Committee attached to this report.

Based on the information set out in the aforementioned proposal of the Appointments Committee, the Board of Directors has been able to verify that the candidate

¹“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”.

² CNMV, “Corporate governance reports of listed companies. Financial year 2024” (pg. 50): [Go to the CNMV website \[opens in new window\]](#).

continues to have the competence, experience and merits required to hold the position of director reflected in the skills matrix of the Board of Directors.

In particular, the Board of Directors has evaluated the broad experience and professional background of the candidate (especially in the legal and regulatory sector, and particularly in the public sector, which provides the candidate with extensive knowledge of the operation of public institutions, and also in the academic sector in addition to in legal advice to companies), as well as the candidate's training and in-depth experience and well-versed knowledge of the Company's industry, of the Iberdrola Group³ and of the businesses of its companies, acquired during the previous terms of office thereof as a director and as a member of committees of the Company's Board of Directors, as well as at other companies of the Iberdrola Group, which will allow the candidate to continue to contribute very positively to the operation of this corporate decision-making body.

In addition, the candidate has skills that the Company considers to be key, such as those related to industry experience, audit, finance and risk management, allocation of capital, the legal and regulatory area, and sustainability (including climate change).

The Board of Directors has also taken into account the good results obtained by Ms María Ángeles Alcalá Díaz in the regular evaluations of her performance as a director of the Company, as well as her attendance at practically 100% of the meetings of the Board of Directors and the Audit and Risk Supervision Committee held during her current term of office.

The candidate has been proposed based on the personal and professional qualities thereof. In particular, the Appointments Committee has verified that the candidate can perform the duties thereof without being constrained by the relationships with the Company, its significant shareholders or the members of its management team, thus making the candidate deserving of the classification of independent director.

3. Competence, experience and merits of Ms Isabel García Tejerina, whose re-election as a director is submitted to the shareholders at the General Shareholders' Meeting

The competence, experience and merits of Ms Isabel García Tejerina, whose re-election as an independent director is submitted to the shareholders at the General Shareholders' Meeting, are described in detail in the proposal of the Appointments Committee attached to this report.

³ The group comprising the Company and the other companies included in the corporate group of which the Company is the controlling entity, within the meaning established by law (the "Iberdrola Group").

Based on the information set out in the aforementioned proposal of the Appointments Committee, the Board of Directors has been able to verify that the candidate continues to have the competence, experience and merits required to hold the position of director reflected in the skills matrix of the Board of Directors.

In particular, the Board of Directors has evaluated the broad experience and professional background of the candidate, especially in the areas of sustainability and the environment and consulting and strategic planning, and the proven knowledge thereof regarding the operation of Spanish public institutions, as well as the training and in-depth experience thereof and well-versed knowledge of the Company's industry, of the Iberdrola Group and of the businesses of its companies, acquired during the previous terms of office thereof as a director and as a member of committees of the Company's Board of Directors, as well as at other companies of the Iberdrola Group, which will allow the candidate to continue to contribute very positively to the operation of this corporate decision-making body.

In addition, the candidate has skills that the Company considers to be key, such as those related to experience in the sector, management and strategy, global markets and geopolitics, allocation of capital, the legal and regulatory area, sustainability (including climate change), digitalisation and cybersecurity, as well as operations and the supply chain.

The Board of Directors has also taken into account the good results obtained by Ms Isabel García Tejerina in the regular evaluations of her performance as a director of the Company, as well as her attendance at 100% of the meetings of the Board of Directors and the Sustainable Development Committee held during her current term of office.

The candidate has been proposed based on the personal and professional qualities thereof. In particular, the Appointments Committee has verified that the candidate can perform the duties thereof without being constrained by the relationships with the Company, its significant shareholders or the members of its management team, thus making the candidate deserving of the classification of independent director.

4. Competence, experience and merits of Mr Anthony L. Gardner, whose re-election as a director is submitted to the shareholders at the General Shareholders' Meeting

The competence, experience and merits of Mr Anthony L. Gardner, whose re-election as an independent director is submitted to the shareholders at the General Shareholders' Meeting, are described in detail in the proposal of the Appointments Committee attached to this report.

Based on the information set out in the aforementioned proposal of the Appointments Committee, the Board of Directors has been able to verify that the candidate continues to have the competence, experience and merits required to hold the position of director reflected in the skills matrix of the Board of Directors.

In particular, the Board of Directors has evaluated the broad international experience and professional background of the candidate (on the one hand, in the public sector, which provides the candidate with extensive knowledge of the operation of public institutions and of the legal and regulatory framework in which the Company and the other companies of the Iberdrola Group do business, and on the other in the private sector, having held management roles and advised companies in various areas on issues like venture capital and mergers and acquisitions), as well as the candidate's training and in-depth experience and well-versed knowledge of the Company's industry, of the Iberdrola Group and of the businesses of its companies, acquired during the candidate's previous terms of office as a director, as a member of committees of the Company's Board of Directors and in holding the position of second vice-chair of the Company and of "Scottish Power, Ltd.", which will allow the candidate to continue to contribute very positively to the operation of this corporate decision-making body.

In addition, the candidate has skills that the Company considers to be key, such as those related to experience in the sector, management and strategy, audit, finance and risk management, global markets and geopolitics, allocation of capital, the legal and regulatory area, and sustainability (including climate change), as well as digitalisation and cybersecurity.

The Board of Directors has also taken into account the good results obtained by Mr Anthony L. Gardner in the regular evaluations of his performance as a director of the Company, as well as his attendance at practically 100% of the meetings of the Board of Directors, the Executive Committee and the Appointments Committee held during his current term of office.

The candidate has been proposed based on the personal and professional qualities thereof. In particular, the Appointments Committee has verified (without the candidate being present during the deliberations and approval of the resolution) that the candidate can perform the duties thereof without being constrained by relationships with the Company, its significant shareholders or the members of its management team, thus making the candidate deserving of the classification of independent director.

5. Competence, experience and merits of Ms Marina Freitas Gonçalves de Araújo Grossi, the ratification of whose interim appointment (co-option) and re-election as a director are submitted to the shareholders at the General Shareholders' Meeting

The competence, experience and merits of Ms Marina Freitas Gonçalves de Araújo Grossi, the ratification of whose interim appointment (co-option) and re-election as an independent director are submitted to the shareholders at the General Shareholders' Meeting, are set out in detail in the proposal of the Appointments Committee attached to this report. With regard to the matters set out in the conclusions of the aforementioned proposal of the Appointments Committee, it is hereby stated for the record that on the date hereof, 17 March 2026, Ms Freitas Gonçalves de Araújo

Grossi was appointed by the Board of Directors as a director of the Company on an interim basis (by co-option).

Based on the information set out in the aforementioned proposal of the Appointments Committee, the Board of Directors has been able to verify that the candidate has the competence, experience and merits required to hold the position of director reflected in the skills matrix of the Board of Directors.

In particular, the Board of Directors has evaluated the broad experience and professional background of the candidate, especially in the areas of sustainability and the environment and consulting and strategic planning, as well as the training and in-depth experience thereof and well-versed knowledge of the Company's industry, of the Iberdrola Group and of the businesses of its companies, acquired while holding the position, among others, of director of Neoenergia S.A. and a member of its committees, of the exercise of executive duties or of the position of director at other companies of the Iberdrola Group, which will allow the candidate to contribute very positively to the operation of this corporate decision-making body.

In addition, the candidate has skills that the Company considers to be key, such as those related to experience in the sector, management and strategy, global markets and geopolitics, the legal and regulatory area, and sustainability (including climate change).

The candidate has been proposed based on the personal and professional qualities thereof. In particular, the Appointments Committee has verified that the candidate can perform the duties thereof without being constrained by the relationships with the Company, its significant shareholders or the members of its management team, thus making the candidate deserving of the classification of independent director.

6. Competence, experience and merits of Mr Pedro Azagra Blázquez, the ratification of whose interim appointment (co-option) and re-election as a director are submitted to the shareholders at the General Shareholders' Meeting

The competence, experience and merits of Mr Pedro Azagra Blázquez, the ratification of whose interim appointment (co-option) and re-election as an executive director are submitted to the shareholders at the General Shareholders' Meeting, is set out in the report of the Appointments Committee attached to this document.

Based on the information set out in the aforementioned report of the Appointments Committee, the Board of Directors has been able to verify that the candidate continues to have the competence, experience and merits required to hold the position of director reflected in the skills matrix of the Board of Directors.

In particular, the Board of Directors has valued the candidate's extensive and proven professional experience and track record, and particularly the in-depth and well-versed knowledge thereof regarding the domestic and international energy sector, the businesses of the Iberdrola Group's companies, the activities and internal

operations thereof, and the territories and countries in which such companies are present. Of particular note, in line with the report of the Appointments Committee, is the extensive professional career at the Iberdrola Group of Mr Azagra Blázquez, who has held the position of, among others, member of the Company's senior management and management team, chief executive officer of the country subholding company "Avangrid, Inc." from June 2022 until 23 June 2025, and member of the Board of Directors thereof, as well as director of the country subholding company "Neoenergia, S.A.", which is listed in Brazil, which has allowed him to gain first-hand knowledge of the main challenges and opportunities of the energy sector in one of its key markets, the United States of America, and also in Brazil, as well as to have very significant international experience.

In addition, the candidate has skills that the Company considers to be key, such as those related to experience in the sector, management and strategy, audit, finance and risk management, allocation of capital, the legal and regulatory area, sustainability (including climate change), digitalisation and cybersecurity, as well as operations and the supply chain.

The Board of Directors has also taken into account the good results obtained by Mr Pedro Azagra Blázquez in the evaluation of his performance as a director of the Company during the period since his appointment on an interim basis (co-option) on 24 June 2025, as well as his attendance at 100% of the meetings of the Board of Directors and the Executive Committee held during his current term of office.

The candidate has been proposed based on the personal and professional qualities thereof, and will continue to be assigned to the category of executive director, taking into account the management roles that the director will continue to perform within the Company.

7. Contribution of the proposed candidates to the operation of the Board of Directors

Considered as a whole, the five candidates favour an appropriate combination of abilities, skills, abilities, knowledge, competencies, experience, gender, origin, nationality and age in the composition of the Board of Directors, which is required for the best performance of the duties thereof.

On the one hand, as described in each of the proposals and the report of the Appointments Committee attached hereto, the five candidates have specific and appropriate knowledge to hold the position of director of the Company, have experience in the main countries and sectors in which the Iberdrola Group's companies do business, and are widely recognised as respectable and suitable persons, with the expertise, experience, qualifications, training, availability and ability to commit to the duties of said position.

In addition, all of the candidates are upstanding professionals, whose conduct and professional track record are aligned with the principles and guidelines for conduct set forth in the "Code of Conduct for Directors, Professionals and Suppliers" and with the purpose and values of the Iberdrola Group established in the "Purpose and

Values of the Iberdrola Group". The Appointments Committee has also verified that none of them have directly or indirectly incurred any grounds for disqualification, prohibition, conflict or opposition of interests to the corporate interest set forth in provisions of a general nature or in the Governance and Sustainability System for holding the position of director.

Furthermore, the proposed re-elections of the candidates help maintain a multifaceted, independent, appropriate and balanced composition of the Board of Directors as a whole, based on the nature and complexity of the businesses of the Iberdrola Group's companies as well as issues of sustainability and the economic, social and environmental context in which it has a presence.

Specifically, the various professional profiles and backgrounds of the candidates ensure the contribution of multiple viewpoints and guarantee an enriching debate and a decision-making process without implicit biases, and contribute very positively to the operation of the Board of Directors.

Finally, it is stated for the record that all of the candidates have sufficient knowledge of the Spanish and English languages to be able to perform their duties.

8. Proposed resolutions

The proposed resolutions submitted to the shareholders for approval at the General Shareholders' Meeting in relation to the ratification of the appointment and re-election of directors of the Company and the determination of the number of members of the Board of Directors are as follows:

ITEM 14 ON THE AGENDA

Re-election of Ms María Ángeles Alcalá Díaz as an independent director.

RESOLUTION

To re-elect Ms María Ángeles Alcalá Díaz as a director, upon a proposal of the Appointments Committee, for the bylaw-mandated four-year term and with the classification of independent director.

ITEM 15 ON THE AGENDA

Re-election of Ms Isabel García Tejerina as an independent director.

RESOLUTION

To re-elect Ms Isabel García Tejerina as a director, upon a proposal of the Appointments Committee, for the bylaw-mandated four-year term and with the classification of independent director.

ITEM 16 ON THE AGENDA

Re-election of Mr Anthony L. Gardner as an independent director.

RESOLUTION

To re-elect Mr Anthony L. Gardner as a director, upon a proposal of the Appointments Committee, for the bylaw-mandated four-year term and with the classification of independent director.

ITEM 17 ON THE AGENDA

Ratification and re-election of Ms Marina Freitas Gonçalves de Araújo Grossi as an independent director.

RESOLUTION

To ratify the appointment of Ms Marina Freitas Gonçalves de Araújo Grossi as a director appointed on an interim basis (co-option) by resolution of the Board of Directors, upon a prior proposal of the Appointments Committee, at the meeting held on 17 March 2026, and to re-elect them, also upon a prior proposal of the Appointments Committee, for the bylaw-mandated four-year term, with the classification of independent director.

ITEM 18 ON THE AGENDA

Ratification and re-election of Mr Pedro Azagra Blázquez as an executive director.

RESOLUTION

To ratify the appointment of Mr Pedro Azagra Blázquez as a director appointed on an interim basis (co-option) by resolution of the Board of Directors, following a report from the Appointments Committee, adopted at the meeting held on 24 June 2025, and to re-elect him, also following a report from the Appointments Committee, for the bylaw-mandated four-year term, with the classification of executive director.

ITEM 19 ON THE AGENDA

Setting of the number of members of the Board of Directors at fourteen.

RESOLUTION

To set the number of members of the Board of Directors at fourteen.

9. Composition of the Board of Directors

If the proposed resolutions regarding the re-elections of Ms María Ángeles Alcalá Díaz, Ms Isabel García Tejerina and Mr Anthony L. Gardner, as well as the

ratification of the interim appointment (co-option) and re-election of Ms Marina Freitas Gonçalves de Araújo Grossi and Mr Pedro Azagra Blázquez as directors of the Company, respectively submitted to the shareholders at the General Shareholders' Meeting under items 14, 15, 16, 17 and 18 on the agenda are approved, the Board of Directors will be made up of the following fourteen members:

| Name | Position | Classification |
|--|---------------------------|-----------------------|
| Mr José Ignacio Sánchez Galán | Chairman | Executive |
| Mr Pedro Azagra Blázquez | Chief Executive Officer | Executive |
| Mr Juan Manuel González Serna | First vice-chair | Independent |
| Mr Anthony L. Gardner | Second vice-chair | Independent |
| Mr Ángel Jesús Acebes Paniagua | Lead independent director | Independent |
| Mr Íñigo Víctor de Oriol Ibarra | Member | Other external |
| Mr Manuel Moreu Munaiz | Member | Independent |
| Mr Xabier Sagredo Ormaza | Member | Independent |
| Ms Sara de la Rica Goiricelaya | Member | Independent |
| Ms Nicola Mary Brewer | Member | Independent |
| Ms María Ángeles Alcalá Díaz | Member | Independent |
| Ms Isabel García Tejerina | Member | Independent |
| Ms Ana Colonques García-Planas | Member | Independent |
| Ms Marina Freitas Gonçalves de Araújo Grossi | Member | Independent |

In Bilbao, on 17 March 2026

ANNEX

PROPOSAL OF THE APPOINTMENTS COMMITTEE REGARDING THE RE-ELECTION OF MS MARÍA ÁNGELES ALCALÁ DÍAZ AS AN INDEPENDENT DIRECTOR OF “IBERDROLA, S.A.”

1. Introduction

Pursuant to the provisions of Article 7.1, sections c), d) and e), of the “Regulations of the Appointments Committee” of “Iberdrola, S.A.” (the “**Company**”), the Appointments Committee (the “**Committee**”) is responsible for proposing to the Board of Directors the re-election of independent directors for submission to a decision by the shareholders at a General Shareholders' Meeting, as well as for verifying that the candidate to be re-elected continues to comply with the general requirements for all directors of the Company, pursuant to the provisions of law and the Governance and Sustainability System, and for compiling appropriate information regarding their personal qualities, experience, knowledge and effective availability.

Ms María Ángeles Alcalá Díaz was first appointed as a director of the Company on an interim basis (co-option) by resolution of the Board of Directors on 26 October 2021, and the shareholders at the General Shareholders' Meeting, held on 17 June 2022, subsequently ratified her appointment and re-elected her as an independent director for the bylaw-mandated four-year term.

Given that the term for which Ms Alcalá Díaz was appointed as a director of the Company ends during this financial year 2026, the Committee has examined the advisability of the re-election thereof and has performed the verifications and evaluations referred to in the relevant legal provision.

Therefore, the purpose of this document is to reflect the results of the work performed by the Committee relating to the potential re-election of Ms María Ángeles Alcalá Díaz as a director of the Company with the classification of independent director.

2. Professional profile and biographical data of the candidate

Born in Albacete (Spain), in 1962.

She has a degree in Law and a PhD in Commercial Law from Universidad de Castilla La-Mancha.

Noteworthy experience for holding this position within the Company

Energy sector

Ms María Ángeles Alcalá Díaz has been chair of the Company's Audit and Risk Supervision Committee, independent director and member of the Audit and

Compliance Committee of the country subholding company of the Iberdrola Group⁴ in Spain, “Iberdrola España, S.A.” (Sociedad Unipersonal), as well as independent director and member of the Financial and the Remuneration and Succession committees of the country subholding company of the Iberdrola Group in Brazil, “Neoenergía S.A.”

Other sectors

Ms María Ángeles Alcalá Díaz is a professor of Commercial Law at Universidad de Castilla-La Mancha, where she has also held various institutional positions, including that of vice-chancellor for student affairs and general secretary. She has also been a visiting researcher at the German universities of Freiburg, Hamburg and Berlin, as well as at the Max Planck Institute for Comparative and International Private Law, and has engaged in undergraduate, postgraduate, masters and doctorate-level conferences and lectures at various Spanish and foreign universities and research institutes.

She served as director general of the Directorate-General for Registries and Notaries (now the Directorate-General for Legal Certainty and Public Faith) of the Ministry of Justice from 2009 to 2011, during which time she engaged in intense pre-legislative, organisational and advisory work for the Ministry in matters of private law.

She has been advising large enterprises in her capacity as of counsel to the law firm “Ramón y Cajal Abogados, S.L.P.” since 2013.

She is the author of a large number of monographs, articles in specialised publications and collective books on subjects such as banking law, registry law, organisation and management of SMEs, contract law and commercial distribution law, insolvency law, etc., with a high degree of specialisation in company law, the legal status of listed companies, corporate governance and the securities market.

3. Membership on other boards of directors and other activities currently performed

Ms Alcalá Díaz is a professor of Commercial Law at Universidad de Castilla-La Mancha, a director of “UCLM Emprende, S.L.U.”, of counsel to the law firm “Ramón y Cajal Abogados, S.L.P.”, and a permanent member of the General Legislation Commission of the Ministry of Justice.

⁴ The group comprising the Company and the other companies included in the corporate group of which the Company is the controlling entity, within the meaning established by law (the “**Iberdrola Group**”).

4. Category to which the director candidate should belong

Ms María Ángeles Alcalá Díaz has been proposed based on her personal and professional qualities, after verifying that she can discharge her duties without being constrained by relationships with the Company, its significant shareholders or the members of its management team, thus meriting the classification of independent director.

5. Availability

Before the beginning of each financial year, the Board of Directors prepares a schedule of regular meetings, both of the full Board and of its committees, accommodating the needs of the Company to the agreed dedication of the directors.

Based on the schedule, the effective availability of the candidate to prepare for each meeting of the Board of Directors and to provide the dedication necessary for holding the position of director has been verified with the candidate.

6. Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company of which the director candidate is a holder

As at the date of this proposal, Ms María Ángeles Alcalá Díaz is the holder of 14,385 shares of the Company.

7. Compliance with the provisions of the “Board of Directors Composition and Member Selection Policy”

Pursuant to the provisions of the “Board of Directors Composition and Member Selection Policy”, in order to determine the appropriateness of the re-election of Ms Alcalá Díaz to the position of director, the Committee has evaluated the needs of the Company and of the other companies of the Iberdrola Group, taking into consideration the specific particularities of their businesses and of the territories in which they do business, comparing them to the profile of the candidate for re-election.

The Committee believes that the Board of Directors should have members with broad experience in the legal and regulatory sector, particularly in the public sector, as well as in the academic sector and in providing legal advice to companies, with in-depth experience and well-versed knowledge of the Company's industry, of the Iberdrola Group and of the businesses of its companies, as has Ms María Ángeles Alcalá Díaz.

The broad experience and background of Ms Alcalá Díaz in the public sector provides her with extensive knowledge of the operation of public institutions and of the regulatory sector, which are significant elements in the businesses of both the Company and the other companies that make up the Iberdrola Group.

In addition, the candidate has skills that the Company considers to be key, such as those related to industry experience, audit, finance and risk management, allocation of capital, the legal and regulatory area, and sustainability (including climate change).

The Committee very favourably assesses the knowledge and experience of the candidate for re-election acquired during her extensive professional career and particularly as a director of the Company from October 2021 to the present date and as a member of the Audit and Risk Supervision Committee, which she has also chaired, as well as the continuation thereof, based on the positive evaluations of Ms María Ángeles Alcalá Díaz's performance and the good results she has obtained, her dedication to the position of director of the Company during her previous terms, her strategic vision and decision-making ability, and the continued presence of a very valuable profile for the Board of Directors with broad knowledge of the internal operation of the Company and of the companies belonging to the Iberdrola Group.

In relation to her dedication to the aforementioned positions, the Committee very positively assesses the attendance of Ms Alcalá Díaz at practically 100% of the meetings of the Board of Directors and the Audit and Risk Supervision Committee held during her current term of office.

Moreover, the re-election of Ms María Ángeles Alcalá Díaz will contribute to maintaining the currently high level of independent directors within the Company's Board of Directors and to maintaining the percentage of the less represented gender above 42% of the total members of the Board of Directors, which percentage is above that provided for in the recommendations of the "Good Governance Code of Listed Companies" published by the National Securities Market Commission (*Comisión Nacional de Mercado de Valores*) and that incorporated into current Spanish law, which will apply to the Company as from 30 June 2026.

Furthermore, the Committee has also taken into account that the candidate's profile and professional background will bring a pluralistic viewpoint to debate within the Board of Directors and enrich it, ensuring a decision-making process without implicit biases and positively favouring the operation thereof.

The Committee therefore considers the re-election of Ms Alcalá Díaz as a director to be appropriate.

8. Verification of compliance with the requirements to be a director of the Company

The Committee very favourably values the profile, skills and experience of the candidate, and specifically such director's respectability, capability, expertise, competence, experience, qualifications, education, availability and ability to commit to the duties of the position, which were verified in each of the annual evaluations of the individual performance thereof.

In addition, the Committee has verified that the conduct and professional track record of Ms María Ángeles Alcalá Díaz are fully aligned with the principles contained in the "Code of Conduct for Directors, Professionals and Suppliers" and with the corporate

purpose and values set out in the “Purpose and Values of the Iberdrola Group” and that the candidate has not directly or indirectly incurred any grounds for disqualification, prohibition, conflict or opposition of interests to the corporate interest set forth in provisions of a general nature or in the Governance and Sustainability System for holding the position of director.

Therefore, it is deemed to have been verified that the candidate meets the general requirements for all directors of the Company as provided by law and the Governance and Sustainability System.

9. Conclusion

The Committee has unanimously decided to propose the re-election of Ms María Ángeles Alcalá Díaz as a director of the Company, with the classification of independent director.

ANNEX

PROPOSAL OF THE APPOINTMENTS COMMITTEE REGARDING THE RE-ELECTION OF MS ISABEL GARCÍA TEJERINA AS AN INDEPENDENT DIRECTOR OF “IBERDROLA, S.A.”

1. Introduction

Pursuant to the provisions of Article 7.1, sections c), d) and e), of the “Regulations of the Appointments Committee” of “Iberdrola, S.A.” (the “**Company**”), the Appointments Committee (the “**Committee**”) is responsible for proposing to the Board of Directors the re-election of independent directors for submission to a decision by the shareholders at a General Shareholders' Meeting, as well as for verifying that the candidate to be re-elected continues to comply with the general requirements for all directors of the Company, pursuant to the provisions of law and the Governance and Sustainability System, and for compiling appropriate information regarding their personal qualities, experience, knowledge and effective availability.

Ms Isabel García Tejerina was first appointed as a councillor of the Company on an interim basis (co-option) by resolution of the Board of Directors on 16 December 2021, and the shareholders at the General Shareholders' Meeting, held on 17 June 2022, subsequently ratified her appointment and re-elected her as an independent director for the bylaw-mandated four-year term.

Given that the term for which Ms García Tejerina was appointed as a director of the Company ends during this financial year 2026, the Committee has examined the advisability of the re-election thereof and has performed the verifications and evaluations referred to in the preceding Article.

Therefore, the purpose of this document is to reflect the results of the work performed by the Committee relating to the potential re-election of Ms Isabel García Tejerina as a director of the Company with the classification of independent director.

2. Professional profile and biographical data of the candidate

Born in Valladolid, in 1968.

She has a degree in Agricultural Engineering from the Polytechnic University of Madrid and a degree in Law from the University of Valladolid.

She also has a Master's degree in European Communities from the Polytechnic University of Madrid and a Master's degree in Agricultural Economics from the University of California (Davis).

She participated in the “Global Senior Management Programme” of the Instituto de Empresa and the University of Chicago Graduate School of Business.

She participated in the High-Level Business Energy course organised by the Club Español de la Energía.

Noteworthy experience for holding this position within the Company

Energy sector

Ms Isabel García Tejerina was an independent director of the country subholding company “Neoenergía, S.A.” between September 2020 and December 2021, as well as a member of its Finance, Audit, and Remuneration and Succession Committees, and chair of the Sustainability Committee.

Other sectors

Ms García Tejerina has in-depth knowledge of the operation of public institutions, which was acquired, among other sources, from holding the position of 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, including her participation in several United Nations Climate Summits, including the Paris Summit in December 2015.

During that stage, as the authority responsible for water policy, hydrological planning was completed with the approval of the river basin hydrological plans under the jurisdiction of the General State Administration, with the broadest consensus ever achieved within the National Water Council, bringing Spain up to date on its European water planning obligations. The first flood risk management plans were approved, the first river nature reserves were created, the CRECE Plan was launched to comply with the European Urban Waste Water Treatment Directive and important investments in water infrastructure were resumed. She was vice-chair of the high-level Inter-Ministerial Working Group on the 2030 Agenda.

She has been the Director of Strategic Planning at the chemical fertiliser company “Fertiberia, S.A.”, a member of the board of the Algerian fertiliser manufacturing company “Fertial SPA” and of “Sociedad Estatal de Infraestructuras Agrarias del Norte, S.A.”, as well as a member of the Governing Board of the Spanish Ports System (*Puertos del Estado*). She has also been an independent director of “Primafrío, S.L.”, chair of its Innovation and Sustainability Committee, and a member of its Audit Committee.

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.

3. Membership on other boards of directors and other activities currently performed

Ms García Tejerina is an independent director of “Avanza Previsión Compañía de Seguros, S.A.” and a member of its Audit Committee, as well as a senior advisor at “Ernst & Young España, S.A.” for sustainability issues and the agri-food sector and a

visiting professor for the Master's Degree in Sustainability of the University of Navarra.

4. Category to which the director candidate should belong

Ms Isabel García Tejerina has been proposed based on her personal and professional qualities, after verifying that she can discharge her duties without being constrained by relationships with the Company, its significant shareholders or the members of its management team, thus meriting the classification of independent director.

5. Availability

Before the beginning of each financial year, the Board of Directors prepares a schedule of regular meetings, both of the full Board and of its committees, accommodating the needs of the Company to the agreed dedication of the directors.

Based on the schedule, the effective availability of the candidate to prepare for each meeting of the Board of Directors and to provide the dedication necessary for holding the position of director has been verified with the candidate.

6. Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company of which the director candidate is a holder

As at the date of this proposal, Ms Isabel García Tejerina is the holder of 74,527 shares of the Company.

7. Compliance with the provisions of the “Board of Directors Composition and Member Selection Policy”

Pursuant to the provisions of the “Board of Directors Composition and Member Selection Policy”, in order to determine the appropriateness of ratifying the interim appointment (co-option) and re-election of Ms García Tejerina to the position of director, the Committee has evaluated the needs of the Company and of the other companies of the Iberdrola Group⁵, taking into consideration the specific particularities of their businesses and of the territories in which they do business, comparing them to the profile of the candidate for re-election.

The Committee believes that the Board of Directors should have members with broad experience in the areas of sustainability and the environment and consulting and

⁵ The group comprising the Company and the other companies included in the corporate group of which the Company is the controlling entity, within the meaning established by law (the “Iberdrola Group”).

strategic planning, as well as in-depth experience and well-versed knowledge of the Company's industry, of the Iberdrola Group and of the businesses of its companies, as has Ms Isabel García Tejerina.

The broad experience and background of Ms García Tejerina in the public sector also provides her with extensive knowledge of the operation of public institutions and of the regulatory sector, which are significant elements in the businesses of both the Company and the other companies that make up the Iberdrola Group.

In addition, the candidate has skills that the Company considers to be key, such as those related to experience in the sector, management and strategy, global markets and geopolitics, allocation of capital, the legal and regulatory area, sustainability (including climate change), digitalisation and cybersecurity, as well as operations and the supply chain.

The Committee very favourably assesses the knowledge and experience of the candidate for re-election acquired during her extensive professional career and particularly as a director of the Company from December 2021 to the present date and as a member of its Sustainable Development Committee, as well as the continuation thereof, based on the positive evaluations of Ms García Tejerina's performance and the good results she has obtained, her dedication to the position of director of the Company during her previous terms, her strategic vision and decision-making ability, and the continued presence of a very valuable profile for the Board of Directors with broad knowledge of the internal operation of the Company and of the companies belonging to the Iberdrola Group.

In relation to her dedication to the aforementioned positions, the Committee very positively assesses the attendance of Ms Isabel García Tejerina at 100% of the meetings of the Board of Directors and the Sustainable Development Committee held during her current term of office.

Moreover, the re-election of Ms García Tejerina will contribute to maintaining the percentage of independent directors within the Company's Board of Directors and to maintaining the percentage of the less represented gender above 42% of the total members of the Board of Directors, which percentage is above that provided for in the recommendations of the "Good Governance Code of Listed Companies" published by the National Securities Market Commission (*Comisión Nacional de Mercado de Valores*) and that incorporated into current Spanish law, which will apply to the Company as from 30 June 2026.

Furthermore, the Committee has also taken into account that the candidate's profile and professional background will bring a pluralistic viewpoint to debate within the Board of Directors and enrich it, ensuring a decision-making process without implicit biases and positively favouring the operation thereof.

The Committee therefore considers the re-election of Ms Isabel García Tejerina as a director to be appropriate.

8. Verification of compliance with the requirements to be a director of the Company

The Committee very favourably values the profile, skills and experience of the candidate, and specifically such director's respectability, capability, expertise, competence, experience, qualifications, education, availability and ability to commit to the duties of the position, which were verified in each of the annual evaluations of the individual performance thereof.

In addition, the Committee has verified that the conduct and professional track record of Ms Isabel García Tejerina are fully aligned with the principles contained in the "Code of Conduct for Directors, Professionals and Suppliers" and with the corporate purpose and values set out in the "Purpose and Values of the Iberdrola Group" and that the candidate has not directly or indirectly incurred any grounds for disqualification, prohibition, conflict or opposition of interests to the corporate interest set forth in provisions of a general nature or in the Governance and Sustainability System for holding the position of director.

Therefore, it is deemed to have been verified that the candidate meets the general requirements for all directors of the Company as provided by law and the Governance and Sustainability System.

9. Conclusion

The Committee has unanimously decided to propose the re-election of Ms Isabel García Tejerina as a director of the Company, with the classification of independent director.

ANNEX

PROPOSAL OF THE APPOINTMENTS COMMITTEE REGARDING THE RE-ELECTION OF MR ANTHONY L. GARDNER AS AN INDEPENDENT DIRECTOR OF "IBERDROLA, S.A."

1. Introduction

Pursuant to the provisions of Article 7.1, sections c), d) and e), of the "Regulations of the Appointments Committee" of "Iberdrola, S.A." (the "**Company**"), the Appointments Committee (the "**Committee**") is responsible for proposing to the Board of Directors the re-election of independent directors for submission to a decision by the shareholders at a General Shareholders' Meeting, as well as for verifying that the candidate to be re-elected continues to comply with the general requirements for all directors of the Company, pursuant to the provisions of law and the Governance and Sustainability System, and for compiling appropriate information regarding their personal qualities, experience, knowledge and effective availability.

Mr Anthony L. Gardner was first appointed as a director of the Company, for the bylaw-mandated term of four years, by the shareholders at the General Shareholders' Meeting held on 13 April 2018.

Given that the term for which Mr Gardner was appointed as a director of the Company ends during this financial year 2026, the Committee has examined the advisability of the re-election thereof and has performed the verifications and evaluations indicated in the foregoing legal provision.

Therefore, the purpose of this document is to reflect the results of the work performed by the Committee relating to the potential re-election of Mr Anthony L. Gardner as a director of the Company with the classification of independent director.

It is stated for the record that Mr Gardner left the Committee meeting during the deliberations and voting on the resolution regarding his proposed re-election as a director of the Company.

2. Professional profile and biographical data of the candidate

Born in Washington, D.C. (United States of America), in 1963.

He studied Government at Harvard University and International Relations at the University of Oxford, and holds a degree in Law from Columbia Law School and a Master's degree in Finance from the London Business School.

Noteworthy experience for holding this position within the Company

Energy sector

He has been a member of the Company's Sustainable Development Committee. He has also been an independent director of "Scottish Power, Ltd." and a member of that company's Audit and Compliance Committee.

Other sectors

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 also 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 had previously worked with the Treuhandanstalt (German Privatization Ministry) in Berlin, on the Stock Exchange Operations Committee in Paris and as a secondee for the European Commission in Brussels.

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

He was also a member of the board of directors of Brookfield Business Partners L.P., as well as senior adviser to the law firm Sidley Austin LLP and to the Bill & Melinda Gates Foundation.

3. Membership on other boards of directors and other activities currently performed

He is executive adviser to "Brookfield Asset Management", senior adviser to the consulting firm "Brunswick Group, LLP", and a member of the advisory boards of "The Centre for European Reform", of the "European Policy Centre" and of the "Ditchley Park Foundation". He is also a senior fellow of The German Marshall Fund and a member of The Trilateral Commission.

4. Category to which the director candidate should belong

Mr Anthony L. Gardner has been proposed based on his personal and professional qualities, after verifying that he can discharge his duties without being constrained by relationships with the Company, its significant shareholders or the members of its management team, thus meriting the classification of independent director.

5. Availability

Before the beginning of each financial year, the Board of Directors prepares a schedule of regular meetings, both of the full Board and of its committees, accommodating the needs of the Company to the agreed dedication of the directors.

Based on the schedule, the effective availability of the candidate to prepare for each meeting of the Board of Directors and to provide the dedication necessary for holding the position of director has been verified with the candidate.

6. Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company of which the director candidate is a holder

As at the date of this proposal, Mr Anthony L. Gardner is the holder of 26,436⁶ shares of the Company.

7. Compliance with the provisions of the “Board of Directors Composition and Member Selection Policy”

Pursuant to the provisions of the “Board of Directors Composition and Member Selection Policy”, in order to determine the appropriateness of re-electing Mr Gardner to the position of director, the Committee has evaluated the needs of the Company and of the other companies of the Iberdrola Group⁷, taking into consideration the specific particularities of the businesses thereof and of the territories in which they do business, comparing them to the profile of the candidate for re-election.

The Committee believes that the Board of Directors should have members with broad experience in the international area, in both the public and private sectors, as well as in-depth experience and well-versed knowledge of the Company's industry, of the Iberdrola Group and of the business of its companies, as has Mr Gardner as a result of his previous terms of office as a director, but also as a member of the committees of the Company's Board of Directors and of “Scottish Power, Ltd.”.

The broad international experience and background of Mr Gardner in the public sector gives him extensive knowledge of the operation of public institutions and of the legal and regulatory framework in which the Company and the other companies of the Iberdrola Group do business, and his track record in the private sector has allowed him to hold management roles and advise companies in various areas on issues like venture capital and mergers and acquisitions.

In addition, the candidate has skills that the Company considers to be key, such as those related to experience in the sector, management and strategy, audit, finance and risk management, global markets and geopolitics, allocation of capital, the legal

⁶ As at the date of issue of the report by the Board of Directors, Mr Anthony L. Gardner is the holder of 28,342 shares of the Company.

⁷ The group comprising the Company and the other companies included in the corporate group of which the Company is the controlling entity, within the meaning established by law (the “**Iberdrola Group**”).

and regulatory area, and sustainability (including climate change), as well as digitalisation and cybersecurity.

The Committee very favourably assesses the knowledge and experience of the candidate for re-election acquired during his extensive professional career and particularly as a director of the Company from April 2018 to the present date and as a member of its Executive Committee, Appointments Committee and Sustainable Development Committee and as second vice-chair of the Board of Directors, as well as the continuation thereof, based on the positive evaluations of Mr Gardner's performance and the good results he has obtained, his dedication to the position of director of the Company during his previous terms, his strategic vision and decision-making ability, and the continued presence of a very valuable profile for the Board of Directors with broad knowledge of the internal operation of the Company and of the companies belonging to the Iberdrola Group.

In relation to his dedication to the aforementioned positions, the Committee very positively assesses the attendance of Mr Anthony L. Gardner at practically 100% of the meetings of the Board of Directors, the Executive Committee and the Appointments Committee held during his current term of office.

The re-election of Mr Gardner will also contribute to consolidating the currently high level of independent directors on the Company's Board of Directors.

The Committee has also taken into account that the candidate's profile and professional background will bring a pluralistic viewpoint to debate within the Board of Directors and enrich it, ensuring a decision-making process without implicit biases and positively favouring the operation thereof.

The Committee therefore considers the re-election of Mr Anthony L. Gardner as a director to be appropriate.

8. Verification of compliance with the requirements to be a director of the Company

The Committee quite favourably values the profile, skills and experience of the candidate, and specifically such director's respectability, capability, expertise, competence, experience, qualifications, education, availability and ability to commit to the duties of the position, which were verified in each of the annual evaluations of the individual performance thereof.

In addition, the Committee has verified that the conduct and professional track record of Mr Anthony L. Gardner are fully aligned with the principles contained in the "Code of Conduct for Directors, Professionals and Suppliers" and with the corporate purpose and values set out in the "Purpose and Values of the Iberdrola Group" and that the candidate has not directly or indirectly incurred any grounds for disqualification, prohibition, conflict or opposition of interests to the corporate interest set forth in provisions of a general nature or in the Governance and Sustainability System for holding the position of director.

Therefore, it is deemed to have been verified that the candidate meets the general requirements for all directors of the Company as provided by law and the Governance and Sustainability System.

9. Conclusion

The Committee has unanimously decided (with the abstention of Mr Gardner) to propose the re-election of Mr Anthony L. Gardner as a director of the Company, with the classification of independent director.

ANNEX

PROPOSAL OF THE APPOINTMENTS COMMITTEE REGARDING THE RATIFICATION OF THE INTERIM APPOINTMENT (CO-OPTION) AND RE-ELECTION OF MS MARINA FREITAS GONÇALVES DE ARAÚJO GROSSI AS AN INDEPENDENT DIRECTOR OF “IBERDROLA, S.A.”

1. Introduction

Pursuant to the provisions of Article 7.1, section e) of the “Regulations of the Appointments Committee” of “Iberdrola, S.A.” (“**Iberdrola**”) or the “**Company**”), the Appointments Committee (the “**Committee**”) is responsible for proposing to the Board of Directors the re-election of independent directors for submission to a decision by the shareholders at a General Shareholders' Meeting.

On 12 March 2026, the Appointments Committee resolved to propose to the Board of Directors the appointment of Ms Marina Freitas Gonçalves de Araújo Grossi as a director of the Company on an interim basis (co-option) to fill the vacancy created by Ms Regina Helena Jorge Nunes' resignation from her position as a director of the Company.

If the Board of Directors appoints Ms Freitas Gonçalves de Araújo Grossi as a director of the Company on an interim basis (co-option) on 17 March 2026, the term of her appointment will end on the date of the General Shareholders' Meeting, which is expected to be held on 29 May 2026.

The Committee has examined the advisability of the potential re-election thereof and has performed the verifications and evaluations referred to in the relevant legal provision on the basis that the foregoing circumstances are met.

Therefore, the purpose of this document is to reflect the results of the work performed by the Committee relating to the potential ratification of the interim appointment (co-option) and re-election of Ms Marina Freitas Gonçalves de Araújo Grossi as a director of the Company with the classification of independent director, on the basis that she was appointed as a director of the Company on an interim basis (co-option) by the Board of Directors.

2. Professional profile and biographical data of the candidate

Born in Goiania (Brazil), in 1958.

She holds a degree in Economics from the University of Brasilia (UnB).

She holds qualifications in Climate Change from the University of Cambridge, in Climate and Sustainability from Fundação Dom Cabral (Brazil) and in Carbon Market from the University of Melbourne.

She has attended the Board Members Course of the Brazilian Institute of Corporate Governance (IBGC) in Brazil.

Noteworthy experience for holding this position within the Company

Energy sector

The experience of Ms Marina Freitas Gonçalves de Araújo Grossi includes being an independent director of the country subholding company “Neoenergia, S.A.” and a member of its Audit, Sustainability (also holding the position of chair), Remuneration and Succession, and Related Parties committees.

She was the coordinator of the Thematic Chambers on Climate Change and Sustainable Finance of the Brazilian Business Council for Sustainable Development (CEBDS) in Brazil.

Other sectors

Among other positions, Ms Freitas Gonçalves de Araújo Grossi has been an advisor to the Ministry of Science and Technology in Brazil, where she headed the research sector on global changes, represented the Brazilian Government at the United Nations (UN) Climate Change Conferences (COPs), including the Kyoto Protocol, and led the group of developing countries (G77+China).

She has been coordinator of the Brazilian Forum on Climate Change and implemented the CDP (Carbon Disclosure Project), a global organisation that helps companies measure and disclose their environmental impact, in Brazil.

Ms Freitas Gonçalves de Araújo Grossi also has more than 20 years of experience in climate change and sustainable finance, promoting the mobilisation and structuring of businesses, governments and civil society. She has also been part of the Steering Committee of the Carbon Pricing Leadership Coalition (CPLC), the Governing Board of the World Bank coalition focused on carbon pricing.

As president of the Brazilian Business Council for Sustainable Development (CEBDS), she led several publications, including “Vision 2050 - A New Agenda for Companies” and the “Green Bond Issuance Guide”.

In recent years, she has led efforts to bring together the main voices of the Brazilian business sector on urgent issues for society, through the launch of movements including the “Business Movement for the Amazon”, “Climate Neutrality: A great opportunity” and “Entrepreneurs for the Climate”.

3. Membership on other boards of directors and other activities currently performed

Ms Freitas Gonçalves de Araújo Grossi is a member of the board of “Norte Energia S.A.”, of the Global Reporting Initiative (GRI) and of the JBS Amazon Fund, chair of the Brazilian Business Council for Sustainable Development (CEBDS) in Brazil, and

a partner and the chair of Fábrica Ethica Brasil, a consulting company specialised in sustainability.

She is also a founding member of the Brazilian Women Leaders Network for Sustainability, where she has actively defended and articulated the regulation of the carbon market since 2016.

4. Category to which the director candidate should belong

Ms Marina Freitas Gonçalves de Araújo Grossi has been proposed based on her personal and professional qualities, after verifying that she can discharge her duties without being constrained by relationships with the Company, its significant shareholders or the members of its management team, thus meriting the classification of independent director.

5. Availability

Before the beginning of each financial year, the Board of Directors prepares a schedule of regular meetings, both of the full Board and of its committees, accommodating the needs of the Company to the agreed dedication of the directors.

Based on the schedule, the effective availability of the candidate to prepare for each meeting of the Board of Directors and to provide the dedication necessary for holding the position of director has been verified with the candidate.

6. Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company of which the director candidate is a holder

As at the date of this proposal, Ms Marina Freitas Gonçalves de Araújo Grossi is not the holder of shares of the Company.

7. Compliance with the provisions of the “Board of Directors Composition and Member Selection Policy”

Pursuant to the provisions of the “Board of Directors Composition and Member Selection Policy”, in order to determine the appropriateness of ratifying the interim appointment (co-option) and re-election of Ms Freitas Gonçalves de Araújo Grossi to the position of director, the Committee has evaluated the needs of the Company and of the other companies of the Iberdrola Group⁸, taking into consideration the specific particularities of their businesses and of the territories in which they do business,

⁸ The group comprising the Company and the other companies included in the corporate group of which the Company is the controlling entity, within the meaning established by law (the “Iberdrola Group”).

comparing them to the profile of the candidate for re-election and the Company's skills matrix.

The Committee believes that the Board of Directors should have members with broad experience in the areas of sustainability and the environment and consulting and strategic planning, as well as in-depth experience and well-versed knowledge of the Company's industry, of the Iberdrola Group and of the businesses of its companies, as has Ms Marina Freitas Gonçalves de Araújo Grossi.

The broad experience and background of Ms Freitas Gonçalves de Araújo Grossi in bodies, mainly Brazilian, specialised in sustainable energy development provides her with extensive technical knowledge in one of the key markets for the Iberdrola Group, Brazil, which are significant elements in the businesses of both the Company and the other companies that make up the Iberdrola Group.

In addition, the candidate has skills that the Company considers to be key, such as those related to experience in the sector, management and strategy, global markets and geopolitics, the regulatory area, and sustainability (including climate change).

The Committee very favourably values the knowledge and experience of the candidate for re-election acquired over her long professional career and, in particular, when holding, among others, the position of director of the country subholding company "Neoenergia S.A." from 17 February 2022 until her appointment as a director of "Iberdrola, S.A.", and as a member of its Audit, Sustainability (also holding the position of chair thereof), Remuneration and Succession and Related Parties Committees, as well as executive duties and the position of director at other companies of the Iberdrola Group, which has provided her with knowledge of the businesses carried out by the companies of the Iberdrola Group and of the operation thereof. It also notes her initiative in movements related to sustainability, and particularly the protection of nature and the environment.

Moreover, the re-election of Ms Freitas Gonçalves de Araújo Grossi will contribute to maintaining the percentage of independent directors within the Company's Board of Directors and to maintaining the number of nationalities and the percentage of the less represented gender above 42% of the total members of the Board of Directors, which percentage is above that provided for in the recommendations of the "Good Governance Code of Listed Companies" published by the National Securities Market Commission (*Comisión Nacional de Mercado de Valores*) and that incorporated into current Spanish law, which will apply to the Company as from 30 June 2026.

Furthermore, the Committee has also taken into account that the candidate's profile and professional background will bring a pluralistic viewpoint to debate within the Board of Directors and enrich it, ensuring a decision-making process without implicit biases and positively favouring the operation thereof.

The Commission therefore considers it appropriate to re-elect Ms Marina Freitas Gonçalves de Araújo Grossi as a director.

8. Verification of compliance with the requirements to be a director of the Company

The Committee very favourably values the profile, skills and experience of the candidate, and specifically such director's respectability, capability, expertise, competence, experience, qualifications, education, availability and ability to commit to the duties of the position.

In addition, the Committee has verified that the conduct and professional track record of Ms Marina Freitas Gonçalves de Araújo Grossi are fully aligned with the principles contained in the "Code of Conduct for Directors, Professionals and Suppliers" and with the corporate purpose and values set out in the "Purpose and Values of the Iberdrola Group" and that the candidate has not directly or indirectly incurred any grounds for disqualification, prohibition, conflict or opposition of interests to the corporate interest set forth in provisions of a general nature or in the Governance and Sustainability System for holding the position of director.

Therefore, it is deemed to have been verified that the candidate meets the general requirements for all directors of the Company as provided by law and the Governance and Sustainability System.

9. Conclusion

The Committee has unanimously resolved to favourably report on the ratification of the interim appointment (co-option) and the re-election of Ms Marina Freitas Gonçalves de Araújo Grossi as a director of the Company, with the classification of independent director, in the event that she is appointed as a director of the Company on an interim basis (co-option) by the Board of Directors.

ANNEX

REPORT OF THE APPOINTMENTS COMMITTEE REGARDING THE RATIFICATION OF THE INTERIM APPOINTMENT (CO-OPTION) AND RE-ELECTION OF MR PEDRO AZAGRA BLÁZQUEZ AS AN EXECUTIVE DIRECTOR OF “IBERDROLA, S.A.”

1. Introduction

Pursuant to the provisions of Article 7.1, sections c), d) and e), of the “Regulations of the Appointments Committee” of “Iberdrola, S.A.” (the “**Company**”), the Appointments Committee (the “**Committee**”) is responsible for reporting on the proposed re-elections of executive directors for submission to a decision by the shareholders at a General Shareholders' Meeting, as well as for verifying that the candidate to be re-elected continues to comply with the general requirements for all directors of the Company, pursuant to the provisions of law and the Governance and Sustainability System, and for compiling appropriate information regarding their personal qualities, experience, knowledge and effective availability.

Mr Pedro Azagra Blázquez was appointed as a director of the Company on an interim basis (co-option) by resolution of the Board of Directors on 24 June 2025 (to fill the vacancy created by said corporate decision-making body's acceptance of Mr Armando Martínez Martínez's resignation from his position as a director of the Company), until the first General Shareholders' Meeting to be held thereafter.

Given that the term for which Mr Azagra Blázquez was appointed as a director of the Company ends on the day of the next General Shareholders' Meeting, which is expected to be held on 29 May 2026, the Committee has examined the advisability of the re-election thereof and has performed the verifications and evaluations referred to in the relevant Article.

Therefore, the purpose of this document is to reflect the results of the work performed by the Committee relating to the potential ratification of the interim appointment (co-option) and re-election of Mr Azagra Blázquez as a director of the Company, with the classification of executive director, as well as to report thereon to the Board of Directors, for submission to the shareholders at the General Shareholders' Meeting.

2. Professional profile and biographical data of the candidate

Born in Madrid (Spain), in 1968.

He has a degree in Business Administration and Management and in Law from ICADE (Universidad Pontificia de Comillas, Madrid) and Master in Business Administration (MBA) from the University of Chicago (Graduate School of Business).

Noteworthy experience for holding this position within the Company

Energy sector

He joined Iberdrola as Director of Strategy in 1997. He then moved to London, where he held the position of Chief Development Officer, responsible for the M&A operations of the Iberdrola Group⁹ and leading its international expansion, until 2022.

In June 2022 he was appointed CEO of the country subholding company “Avangrid, Inc.”, which was listed on the New York Stock Exchange until December 2024, and held this position until 23 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 USD 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 the country subholding company “Neoenergia, S.A.”, which is listed in Brazil.

Other sectors

Prior to joining the Iberdrola Group, 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 was also professor of Corporate Finance and Mergers and Acquisitions at ICADE (Universidad Pontificia de Comillas, Madrid).

3. Membership on other boards of directors and other activities currently performed

He is currently 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 the United States Hispanic Chamber of Commerce (USHCC).

4. Category to which the director candidate should belong

Based on the personal and professional qualifications thereof, Mr Pedro Azagra Blázquez should continue to be assigned to the category of executive director, taking into account the management roles that the director is expected to continue to perform within the Company.

⁹ The group comprising the Company and the other companies included in the corporate group of which the Company is the controlling entity, within the meaning established by law (the “**Iberdrola Group**”).

5. Availability

Before the beginning of each financial year, the Board of Directors prepares a schedule of regular meetings, both of the full Board and of its committees, accommodating the needs of the Company to the agreed dedication of the directors.

Based on the schedule, the effective availability of the candidate to prepare for each meeting of the Board of Directors and to provide the dedication necessary for holding the position of director has been verified with the candidate.

6. Shares of the Company and derivative financial instruments whose underlying assets are shares of the Company of which the director candidate is a holder

As at the date of this proposal, Mr Pedro Azagra Blázquez is the holder of 83,514¹⁰ shares of the Company.

7. Compliance with the provisions of the “Board of Directors Composition and Member Selection Policy”

Pursuant to the provisions of the “Board of Directors Composition and Member Selection Policy”, in order to determine the appropriateness of ratifying the interim appointment (co-option) and re-election of Mr Azagra Blázquez to the position of director, the Committee has evaluated the needs of the Company and of the other companies of the Iberdrola Group, taking into consideration the specific particularities of their businesses and of the territories in which they do business, comparing them to the profile of the candidate for re-election.

The Committee believes that the Board of Directors should have members with extensive experience and a professional track record and with in-depth and well-versed knowledge regarding the domestic and international energy sector, regarding the businesses of the companies of the Iberdrola Group, regarding the activities and internal operations thereof, and regarding the territories and countries in which such companies are present, as has Mr Azagra Blázquez. Particularly noteworthy is the extensive professional career of the candidate at the Iberdrola Group, where the candidate has held the position of, among others, member of the Company's senior management and management team, chief executive officer of the country subholding company “Avangrid, Inc.” from June 2022 until 23 June 2025, and member of the Board of Directors thereof, as well as director of the country subholding company “Neoenergia S.A., which is listed in Brazil, which has allowed him to gain first-hand knowledge of the main challenges and opportunities of the

¹⁰ As at the date of issue of this report by the Board of Directors, Mr Pedro Azagra Blázquez is the holder of 111,347 shares of the Company.

energy sector in one of its key markets, the United States of America, and also in Brazil, as well as to have very significant international experience.

In addition, the candidate has skills that the Company considers to be key, such as those related to experience in the sector, management and strategy, audit, finance and risk management, allocation of capital, the legal and regulatory area, sustainability (including climate change), digitalisation and cybersecurity, as well as operations and the supply chain.

The Committee very favourably assesses the knowledge and experience of the candidate for re-election acquired as a director of the Company from June 2025 to the present date, as well as the continuation thereof, based on the positive evaluation of Mr Azagra Blázquez's performance and the good results he has obtained, his dedication to the position of director of the Company and member of the Executive Committee during his term, his strategic vision and decision-making ability, and the continued presence of a very valuable profile for the Board of Directors with broad knowledge of the internal operation of the Company and of the companies belonging to the Iberdrola Group.

In relation to his dedication to the aforementioned positions, the Committee very positively assesses the attendance of Mr Azagra Blázquez at 100% of the meetings of the Board of Directors and the Executive Committee held during his current term of office.

Furthermore, the Committee has also taken into account that the candidate's profile and professional background will bring a pluralistic viewpoint to debate within the Board of Directors and enrich it, ensuring a decision-making process without implicit biases and positively favouring the operation thereof.

The Committee therefore considers the re-election of Mr Pedro Azagra Blázquez as a director to be appropriate.

8. Verification of compliance with the requirements to be a director of the Company

The Committee very favourably values the profile, skills and experience of the candidate, and specifically such candidate's respectability, capability, expertise, competence, experience, qualifications, education, availability and ability to commit to the duties of the position, which were verified in the evaluation of the individual performance thereof.

In addition, the Committee has verified that the conduct and professional track record of Mr Pedro Azagra Blázquez are fully aligned with the principles contained in the "Code of Conduct for Directors, Professionals and Suppliers" and with the corporate purpose and values set out in the "Purpose and Values of the Iberdrola Group" and that the candidate has not directly or indirectly incurred any grounds for disqualification, prohibition, conflict or opposition of interests to the corporate interest set forth in provisions of a general nature or in the Governance and Sustainability System for holding the position of director.

Therefore, it is deemed to have been verified that the candidate meets the general requirements for all directors of the Company as provided by law and the Governance and Sustainability System.

9. Conclusion

The Committee has unanimously decided to favourably report on the ratification of the interim appointment (co-option) and the re-election of Mr Pedro Azagra Blázquez as a director of the Company, with the classification of executive director.