



# Introduction to Book Five - Corporate Governance



1. The Governance and Sustainability System constitutes the internal regulatory framework for the Company, established, within exercise of the corporate autonomy that the law supports, to ensure that its identity is preserved, its purpose and values are materialised through its rules and that its business aims and goals are achieved.
2. The corporate policies of the Iberdrola group are characterised by their development, combination, and extension, as well as by their function of binding and specifying the ideological and axiological content of its purpose and values in guidelines and criteria for action that rationalise management decisions in the fields and constitute an essential part of its Governance and sustainability system.
3. They therefore entail a positive limitation of the necessary discretion that the directors and professionals of Iberdrola must have in the exercise of their duties, thereby defining safe lines of action within the framework of respect for and observance of human rights, of the contribution to the achievement of the Sustainable Development Goals approved by the United Nations (UN), compliance with ESG (Environmental, Social and Governance) requirements and with the goals established by the Paris Agreement and the 2030 Agenda for Sustainable Development of the United Nations, in the monitoring of which it may be presumed, prima facie, that the corresponding actions comply with and are in line with the Purpose and Values of the Iberdrola group and with the corporate interest of Iberdrola, S. A., shared by all of the companies of the Group, to the specification and precision of which they contribute.
4. For both its own conduct as well as that of the people connected with it, the Company aspires to be consistent with and conform to not only the requirements or demands established by applicable rules and laws, but also, beyond this minimum required level, to the entirety of its own Governance and sustainability system, which includes the best practices generally accepted in the international markets in the areas of good corporate governance and transparency.
5. The policies and rules contained in this book five for the Governance and Sustainability System are therefore of particular relevance to the internal organisation of the Company, not only because of the above, but also due to their structure and organisation.,
6. Book five is structured in five categories: (i) corporate governance and regulatory compliance policies; (ii) Transformation, innovation and resilience policies; (iii) risk policies; (iv) Governance regulations for corporate bodies and other departments and internal committees and (v) Market abuse regulations.
7. Corporate governance and compliance policies play a fundamental role in the internal organisation and in the proper conduct of the Company's business. They define, within the framework of the law, ethical principles, and the By-laws, the guidelines and rules for action in which the Purpose and Values of the Iberdrola Group and the sustainable development strategy are specified, and guide the actions of the shareholders, directors, and professionals of the Company and of the other companies of Iberdrola to which they apply and their commitment to the Stakeholders. They also reflect the Company's effective, autonomous, independent, and robust Compliance System, with ethical principles and with the ongoing monitoring and sanctioning of irregular conduct and unlawful acts or acts contrary to law or to the Governance and Sustainability System.
8. Resilience, innovation and transformation policies, on the one hand, establish regulations and conduct procedures that allow the Company and other Group companies to continue being leaders in innovation in the energy industry, as well as strengthening its competitiveness through efficiency and fostering its model of sustainable growth and, on the other hand, including the basic principles and guidelines for action that must govern within the perimeter of the Group in terms of security and operational resilience.
9. Risk policies, in turn, are those relating to preventive and mitigating action for all risks that affect the development of Iberdrola's broad and ambitious business project, and which are therefore significantly developed, covering a wide range of matters and actions, establishing criteria for a multiplicity of risks, from corporate risks to business risks, including, among others, financial risks, risks associated with security, and reputational risks.
10. The governance regulations of the corporate bodies and other internal functions establish the rules of operation of the main corporate bodies of Iberdrola Energía España, in accordance with its nature and characteristics as a business holding company. Based on the corporate configuration of the Iberdrola Group contained in the *By-Laws* and always with a view to correct compliance with and implementation of the *Purpose and Values of the Iberdrola Group*, these regulations are primarily aimed at regulating the most appropriate bodies and the most convenient procedures for the correct functioning of the Company and its bodies, defining, among other aspects, the composition, competences and operating regime, as well as the rights, duties and obligations of its members.
11. For both its own conduct as well as that of the people connected with it, Iberdrola Energía España aspires to be consistent with and conform to not only the requirements or demands established by applicable rules and laws,

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but also, beyond this minimum required level, to the entirety of its own Governance and Sustainability System, which includes the best practices generally accepted in the international markets in the areas of good corporate governance and transparency.

12. The corporate governance, regulatory compliance and risk rules and policies, as well as the rules of governance of the corporate bodies and other functions are binding, insofar as applicable, on the corporate bodies and other internal committees of the Company, its directors, its professionals and, in general, on all persons who may be validly bound by them or, as the case may be, act or relate to the Company.
13. 11. The policies and regulations contained in this book five are subject to a permanent review process of adaptation and constant improvement in order to update them to the context in which the Company and the Group carry out their activities, to the legislation in force and to the best practices applicable.

Bilbao, 12 March 2024.

The Board of Directors of Iberdrola Energía España S.A.U.