

GOVERNANCE AND SUSTAINABILITY SYSTEM

INTRODUCTION TO CHAPTER FOUR - SOCIAL COMMITMENT

1. The Governance and the Sustainability System constitutes the internal regulatory framework for the Company. It is autonomously established by the Company as its own set of rules defining its purpose and values against which rules its business strategies and goals are to be set.
2. The Iberdrola Group's corporate policies, as adopted by the Company into its Governance and Sustainability System, characteristically aim to consistently and clearly connect the relevant themes in the stated purpose and values to the appropriate action guidelines and criteria prescribed in relation to matters that are identified as generally or specifically important to the decision-making and management of the Company.
3. The corporate policies therefore delineate the amount of discretion that Iberdrola Group directors and employees may exercise in the performance of their duties, i.e. within a framework of respect and observance of human rights, the contribution to the achievement of the United Nations' Sustainable Development Goals (**SDGs**), compliance with Environment, Social and Governance (**ESG**) requirements, goals established by the Paris Agreement and the United Nations' 2030 Agenda for Sustainable Development. It is implicit that any action taken in adherence to these will carry a *prima facie* assumption of suitability and approval pursuant to the *Purpose and values of the Iberdrola Group* and Iberdrola's corporate interest since they are defined to contribute to and fulfil the same aims.
4. The social commitment policies are included within the Iberdrola Group's sustainable development strategy and constitute its express response to the fundamental challenges, objectives and goals in relation to the commitment to human rights, empowering women, promoting diversity, inclusion, sense of belonging, and equality amongst all participants in the business. In short, they are an expression of the Company's recognition of the value in its human and personal capital, without which progress could not be possible.
5. The Iberdrola Group's commitment to the modern social demands and requirements also extends to all those who act for or engage with the Iberdrola Group, to the extent applicable, in order to maximise the distribution of the benefit of the same to those stakeholders and the communities in which the Group operates.
6. The ideas, values and principles in these guidelines or protocols for conduct are subject to ongoing updates to adapt them to the ever-changing circumstances in which the Company and its Group operates as an established business. Accordingly, the social commitment policies contained in this Chapter Four are subject to a continuous process of review, adaptation and improvement in the context of the environment in which the Company and the Iberdrola Group carry out their business, applicable law and best practices.

By order of the Board

14 December 2022