



# Introduction to Book Three - Environment and Climate Action



1. The Governance and Sustainability System constitutes the internal regulatory framework for the Company and is established in the exercise of the corporate autonomy that the law supports to ensure the realisation of its purpose and its values, and the achievement of its business ends and goals through its rules.
2. The corporate policies are characterised by their development, conjunction, and extension, as well as by their function to link and specify the ideological and axiological content of their purpose and values in guidelines and criteria for action that rationalise management decisions in recurring or particularly important fields and issues that so require them, and constitute an essential part of the Company's Governance and Sustainability System.
3. They therefore involve a positive limitation of the necessary discretion that the directors and professionals of the Iberdrola Group must have in the performance of their duties, thereby defining safe lines of action within the framework of the respect for and observance of human rights, the contribution to the achievement of the Sustainable Development Goals approved by the United Nations, the 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, which, if adhered to, can lead to the prima facie presumption of approval for and suitability of the corresponding actions with the *Purpose and Values of the Iberdrola Group* and the corporate interest of Iberdrola, S.A., shared by all group companies, whose materialisation and fulfilment they contribute to.
4. The environmental policies are included within the sustainable development strategy and constitute the decided reaction of the Iberdrola group and, therefore, the Company to the challenges, objectives and goals of climate change, preservation of the environment and loss of biodiversity, while helping to identify and take advantage of the opportunities arising from the energy transition. They are therefore the living expression of the Iberdrola's commitment, to which it's the Stakeholders of all its companies subscribe, with the creation of an *integral business value* that takes into account and respects the natural and environmental capital on which its activity rests and is based, therefore contributing to its maximum dissemination and application amongst its Stakeholders and in the countries and territories in which it is present.
5. The work of giving shape to ideas, values and principles in guidelines or protocols of conduct can and should be subject to ongoing attention in order to adjust them to the changing circumstances within which the Company works as a comprehensive enterprise with three dimensions: business, corporate and institutional. Therefore, like the rest of the Governance and Sustainability System, the environmental policies contained in this third book are subject to a process of continuous review, adaptation and constant improvement in order to update them to the context in Iberdrola group companies carry out their business activities, the applicable law and the best applicable practices.

In Bilbao, on 16th February 2024.

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