

# Compliance System Transparency Report Iberdrola Energía Internacional, S.A.U. and its subsidiary companies in 2024

June 2025



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# 01. Introduction



Iberdrola Energía Internacional, S.A.U. (“**Iberdrola Energía Internacional**” or “Iberdrola”) aims to ensure that its conduct and that of the people associated with it, in addition to the legislation in force and its Governance and sustainability system, complies and conforms to generally accepted ethical and sustainable development principles.

In this regard, the Company promotes a preventive culture based on the principle of “zero tolerance” towards the commission of illegal acts and all forms of fraud and corruption.

To do this, the Company's board of directors (the “Board of Directors”) has approved the Purpose and Values of the Iberdrola Group, which sets out its *raison-d’être* and is the ideological and ethical basis of the Group companies' business project and chairs its day-to-day activity. The contents of the Purpose and Values Iberdrola Group develops and takes shape in the Code of ethics, which is intended to serve as a guide for the actions of Iberdrola Energía Internacional's directors, professionals and suppliers.

For clarification purposes, when “Iberdrola Energía Internacional” or the “Company” are mentioned in this report, reference is made to the company on an individual bases, considered to be the Iberdrola Group subholding company at international level that groups the companies whose businesses are not controlled by other subholding companies and which essentially carry out their activities outside the countries where those subholding companies are.

However, when “**Iberdrola**”, the “Iberdrola Group” or the “**Group**” are mentioned, reference is made to IBERDROLA, S.A. and the companies within the group whose controlling company, in the sense provided by the law, is IBERDROLA, S.A., which operate independently under common purpose and values, in a coordinated manner, around a corporate and governance structure designed in three levels (holding company, subholding companies and head of business companies or countries) for the better development of the corporate purpose and attainment of the corporate interest of each and every single company making up the group.

Said Iberdrola Group does not have its own legal personality distinct from that of each of the aforementioned companies making it, nor does it therefore have its own specific management bodies or offices.

The Company operates through three head of business companies: in Germany Iberdrola Deutschland, GmbH (“**Iberdrola Deutschland**”), in France Iberdrola France, S.A.S. (“**Iberdrola France**”) since September 2024 and in the other Iberdrola Renovables Internacional, S.A. (Sociedad Unipersonal) (“**Iberdrola Renovables Internacional**”) countries, which, in turn, have a majority stake in the share capital of the other companies, directly or indirectly. All the companies above, hereinafter the “Subsidiary Companies”.

In addition to the Purpose and Values of the Iberdrola Group and the Code of ethics, Iberdrola Energía Internacional's Board of Directors, in the exercise of its responsibilities, has adopted as its own Iberdrola, S.A.'s Compliance policy and of the internal reporting and whistle-blower protection system and the Anti-corruption and anti-fraud policy.

**Iberdrola Energía Internacional and its Subsidiary Companies promotes a preventive culture based on "zero tolerance" for any form of fraud and corruption.**

In this context, for the effectiveness of the ethical standards and principles set in their respective governance and sustainability systems, Iberdrola Energía Internacional and its subsidiary companies have set up their own compliance systems, including all regulations, formal procedures, and material actions intended to ensure that each company acts in accordance with ethical principles, the law, and internal regulations, particularly the Governance and sustainability system, to contribute to the full realisation of the Purpose and Values of the Iberdrola Group and the corporate interest, and to prevent, manage, and mitigate the risk of regulatory and ethical breaches that may be committed by the directors, employees, or suppliers thereof within the organisation (the **"Compliance systems"**).

The different bodies and divisions directly entrusted with implementation, development and supervision are also part of the Compliance systems. The fundamental elements of the Compliance systems of the companies that are part of the Iberdrola Group are, on the one hand, the crime prevention programmes and, on the other hand, each company's internal reporting system, which includes their respective internal reporting channels for reporting possible irregular conduct or potential unlawful acts or acts contrary to the law or to the Governance and sustainability system.

To proactively and independently supervise the implementation and effectiveness of Compliance systems, in 2023 the Company's Compliance Unit (the "Compliance Unit" or the "Unit") and Iberdrola Renovables Internacional's Compliance Units were set up, as internal and permanent collegiate bodies, following the highest independence and transparency standards, in accordance with the provisions in their respective governance and sustainability systems, for which they have been entrusted the broadest competences, budget autonomy and independence of action. All this notwithstanding the responsibilities corresponding to other bodies and divisions in the Company or in Iberdrola Renovables Internacional, as applicable. On the other hand, Iberdrola Deutschland also has its own compliance function and Compliance manager.

**Iberdrola Energía  
Internacional's  
Compliance Unit is  
linked to the Audit  
and Compliance  
Committee**

Pursuant to the provisions of the corresponding company's governance and sustainability system, these compliance units are linked to a consultative committee of their board with specific compliance-related duties, if established - in the Company's case, its Audit and Compliance Committee-, or to its board of directors if it does not have one. The functions of these aforementioned compliance units include fostering a culture of ethical behaviour and 'zero tolerance' towards irregular actions and the commission of unlawful acts or acts contrary to the law or to the Governance and sustainability system, as well as monitoring the application and effectiveness of the compliance systems of its companies in a proactive and autonomous manner, without prejudice to the appropriate coordination carried out at Group level.

The Unit performs its duties related to the Company's Compliance system in coordination with the Compliance Unit of Iberdrola S.A. (the "Unit of Iberdrola S.A."), and coordinates those performed independently by the compliance units of the Subsidiary Companies.

This report, approved by the Unit in June 2025, includes the main actions, initiatives and measures developed, promoted and adopted by the Unit and the different compliance units and managers in Iberdrola Energía Internacional and its Subsidiary Companies during 2024, which illustrate the functioning of the said companies' compliance system and highlight its effectiveness.

## 02.

# The compliance units of the Group companies

## 2.1 Composition and functions of the Compliance Units of Iberdrola Energía Internacional, S.A.U. and its Subsidiary Companies

Iberdrola Energía Internacional's Compliance Unit is a body linked to the Company's Audit and Compliance Committee, and has been assigned powers related to the Code of ethics, the effectiveness of the Compliance system and with the Internal reporting and whistle-blower protection system, crime prevention, as well as all those that may be assigned thereto by the Audit and Compliance Committee or the Board of Directors or that are attributed thereto by applicable law and the internal regulations of the Company, in particular, Iberdrola's Governance and sustainability system.

The composition, powers and functioning of the Unit shall be governed in the Company's Compliance Unit Regulations. The members are appointed by the Board of Directors, at the proposal of the Audit and Compliance Committee and hold the following positions:

- The chair of the Unit, a position held by a professional external to the Group's companies and its parent company, who shall be an expert of recognised prestige in compliance matters.
- The members of the Unit, one of whom shall be the Compliance Director of the Company (the "**Compliance Director**"). The other members may include, but are not limited to, those responsible for different areas or functions related to compliance risk management.
- The secretary of the Unit (non-member).

The Compliance director manages the operation of the Unit and its budget and is responsible for executing the actions included in the Annual activities plan and all those activities that are necessary for the Unit to proactively and autonomously perform its functions, regularly reporting to it on the performance of the aforementioned actions, and will carry out the other functions attributed to it in the regulations, and in particular, in the Governance and sustainability system.

Iberdrola Energía Internacional's Compliance Unit held 8 meetings throughout 2024.

**Iberdrola España's Compliance Unit represented by its director, appears and reports regularly to the Audit and Compliance Committee.**

The Unit, represented by its director, appears and reports regularly to the Audit and Compliance Committee to report on activities, actions and incidents related to the compliance function. For these purposes, in 2024, the Compliance director has appeared 5 times before the Audit and Compliance Committee. In turn, the Audit and Compliance Committee, through its chairman, reports the information provided to the Board of Directors of the Company, within the framework of submitting said committee's activities report, which takes places in every meeting of such body.

On its part, the head of business company, Iberdrola Renovables Internacional's Board of Directors set up its Compliance unit as an independent and autonomous area, responsible for proactively and autonomously supervising the sufficiency, implementation and effectiveness of this company's compliance system, consisting of, among other rules and procedures, the crime prevention programme. The members of this unit are appointed by the Board of Directors, with the following composition:

- The chair, a position held by a professional external to the Group's companies and its parent company, who shall be an expert of recognised prestige in compliance matters.
- The members, one of whom shall be the Compliance director of Iberdrola Renovables Internacional. The other members may include, but are not limited to, those responsible for different areas or functions related to compliance risk management.
- The secretary non-member, belonging to the Legal Services of said company.

**Budgetary  
autonomy and  
independence of  
action**

The Unit, also represented by its compliance director, appears and reports on a frequent basis to the board of directors of Iberdrola Renovables Internacional on the most relevant aspects of the activities carried out from the compliance function during the year. For these purposes, in 2024, the Compliance director has appeared 4 times before the Board of Directors of Iberdrola Renovables Internacional.

The separation and appointment of unit members corresponds to the Boards of directors of the corresponding companies.

Iberdrola Energía Internacional's Unit reports to Iberdrola, S.A. In accordance with the provisions in the General coordination, collaboration and information protocol, approved by Iberdrola, S.A. and adopted by the Company, in accordance with the provisions in the Governance and sustainability system governing the relationships between the Units and Iberdrola, S.A.'s Unit.

Furthermore, Iberdrola Energía Internacional's Unit related to the compliance units and managers of its Subsidiary Companies through the General coordination, collaboration and information protocol which, approved by the Compliance Unit of Iberdrola Energía Internacional, S.A.U. in accordance with the provisions of Governance and sustainability system, regulates the relations between them. Without prejudice to their management autonomy, the units and compliance managers will shall endeavour to coordinate their actions and to comply with the general guidelines issued by the Unit of Iberdrola, S.A. in order to ensure the effectiveness of the compliance systems of the companies of the Iberdrola Group.

In 2024, Iberdrola Energía Internacional's Compliance director attended 14 coordination meetings with members in the compliance function of Iberdrola, S.A. and/or the Subsidiary Companies.

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**9 appearances**  
of Compliance directors before their respective  
governance bodies in 2024

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## 2.2 Budget and resources

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**615 thousand of euros**  
in Iberdrola Energía Internacional, S.A.U.  
and its subsidiary companies

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Both the Company's Compliance Unit Regulations and the regulations of Iberdrola Renovables Internacional's compliance units establish that the compliance function will have the necessary material and human resources to perform their functions. Thus, on an annual basis, the governing bodies of each company approve the budget of the compliance units, giving them the necessary autonomy and independence for the exercise of their functions.

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**6 professionals**  
in Iberdrola Energía Internacional, S.A.U.  
and its subsidiary companies dedicated exclusively

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## 2.3 Professional qualifications

The Compliance director and the other employees in the compliance function of the Company and its Subsidiary Companies have proven knowledge, experience and skills to perform their duties.

The main certifications in terms of compliance that have been obtained by professionals in the compliance function are as follows:

- Leadership Professional in Ethics and Compliance Certification (LPEC), issued by the Ethics and Compliance Initiative (ECI) (ECI).
- Certified Fraud Examiner (CFE), issued by the Association of Certified Fraud Examiners (ACFE).
- Certification in Risk Management Assurance (CRMA) issued by the Instituto de Auditores Internos (IAI).
- COSO Internal Control Certificate issued by the Committee of Sponsoring Organizations of the Treadway (COSO).

The on-going training and update of knowledge of compliance professionals is an essential element of the compliance systems. Therefore, throughout 2024, the compliance professionals in Iberdrola Energía Internacional and its Subsidiary Companies have allocated a total of 183 hours to ethics and compliance training activities, which implies an average of 30.5 training hours for each Compliance professional.

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**An average of 30.5 hours**  
of training received by compliance professionals

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# 03.

## Compliance risk analysis and assessment

The compliance units, within the scope of their respective companies, regularly update the compliance risk map, following the guidelines set out in the Compliance Risk Assessment Guide approved by the Unit of Iberdrola, S.A. and adopted by Iberdrola Energía Internacional's Unit. This assessment includes an assessment of the likelihood of the materialisation of each of the risks and the impact that such materialisation would have.

These risk maps are drawn up on the basis of a homogeneous risk inventory for the Iberdrola Group's perimeter and using a common methodology. The risks to be assessed are shown in the table below:

Risks
Harassment
Money laundering and the financing of terrorism
Supply chain
Cybercrime
Competition
Conduct in the securities market
Contraband
Corruption and fraud
Workers' rights
Discrimination
Embezzlement
Falsifying of public information
Fraud against public authorities and Social Security
Criminal insolvency
Impeding third-party supervision
Permits, licences and authorisations
Workplace risk prevention
Intellectual and industrial property
Consumer protection
Data protection
International sanctions
Trade secrets
Facility safety, environment and public health

Each compliance unit analyses the possible existence of such risks in each of the corporate areas and businesses of its respective company. In the risk assessment process, the managing team responsible for said areas and businesses is involved.

The information obtained is used to draw up the compliance risk map for each entity, identifying the main controls in place within the Group's perimeter to mitigate them and proposing, where appropriate, improvement actions to reinforce the effectiveness of these controls.

In 2024, the total number of controls carried out by Iberdrola Energía Internacional and its Subsidiary Companies amounts to 302 and 703 evidences of their correct performance have been raised. This process has involved 124 employees in key positions responsible for accrediting the correct functioning of controls.

The risk maps of each company are regularly updated by their respective compliance units.

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## 703 pieces of evidence

of the correct functioning of the Group's controls

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# 04. Regulations

The compliance systems of Iberdrola Energía Internacional and its Subsidiary Companies is structured based on: (i) certain regulations approved by the Board of Directors of Iberdrola, S.A. adopted by the governance bodies of Iberdrola Energía Internacional and of its Subsidiary Companies, approved by the governance bodies of said companies and is integral part of their own governance and sustainability system; and (ii) of the complementary regulations developed and approved and/or adopted by each compliance unit under the powers granted to it by its respective regulations.

Regulations approved or adopted by the Board of Directors of Iberdrola Energía Internacional <sup>1</sup>	Regulations approved or adopted by the compliance units
Code of ethics	Iberdrola Energía Internacional, S.A.U.'s Compliance Unit, coordination, collaboration and information protocol
Policy on compliance and the internal reporting and whistle-blower protection system	Protocol for internal investigations and management of the Internal information system
Anti-corruption and anti-fraud policy	Protocol for corporate transactions
Compliance Unit Regulations of Iberdrola Energía Internacional	Protocol for contributions of social content, donations and sponsorships
Procedure for related-party transactions with members of senior management and delegated related party transactions	Protocol for the risk management of third-party fraud and corruption
	Action protocol for the business relationship with the Public Administration
	Action protocol to ensure fair competition
	Action protocol with respect to gifts and hospitality
	Protocol for action in the event of notification of judicial and administrative sanctioning proceedings
	Compliance risk assessment guide
	Guide to assess third-party risks and due diligence procedures
	Guidance on how to carry out the background check prior to taking up managerial duties

1. The regulations approved by the Board of Directors (except for the Procedure for Related Party Transactions with Senior Management, Delegated Related Party Transactions and Related Party Transaction Lines) are available at [www.iberdrolainternacional.com](http://www.iberdrolainternacional.com).

In addition to the above-mentioned regulations, another 182 procedures approved by the different Group companies and internal regulations specific to the different areas and businesses of the companies that make up the Group, which also help to effectively prevent crimes and other irregular conduct from being committed. These regulations are regularly updated and monitored by the compliance units to assess their preventive potential.

# 05.

## Risk management



## 5.1 Assessment of third-parties

Pursuant to the provisions of the Protocol for the management of the risk of fraud and corruption of third parties, suppliers and debtors of the Group companies are assessed on fraud and corruption.

This analysis is carried out before the supplier can be invited to any contracting process.

The risk assessment of the third party considers, among other matters:

- Links with countries considered by the compliance function as higher than normal risk.
- International Sanctions.
- Adverse news or incidents in the field of:
  - Human rights.
  - Modern slavery and child labour.
  - Corruption and bribery.
  - Anti-competitive practices.
  - Other irregularities and unlawful conduct.
- Links with persons with public responsibility or public entities.

Based on this analysis, the compliance function rates the fraud and corruption risk of suppliers and debtors and records this rating in the corporate systems. If the risk is considered higher than normal, the compliance function will monitor all transactions intended to be entered into with that third party.

Suppliers and debtors considered as critical risk are blocked in the systems, which prevents the formalisation of any transaction or payment in relation to them.

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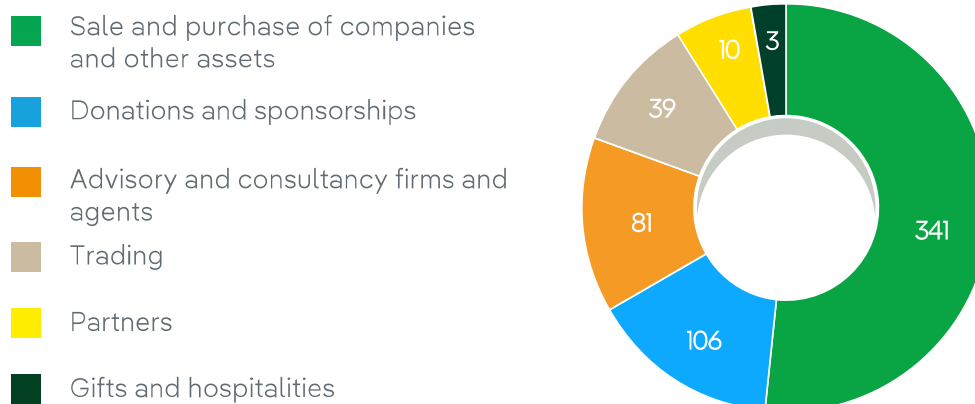
# 1,019 third-party assessments

carried out in 2024

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After the initial screening upon registration, the Group's suppliers and debtors are monitored on a daily basis through the fraud and corruption databases (ongoing screening). The compliance function is automatically alerted as soon as there is a new development concerning one of the Group's suppliers and debtors and immediately analyses it in order to update the risk assessment of that supplier or debtor.

## N° of TRANSACTIONS SUPERVISED BY COMPLIANCE (CLASSIFIED BY NATURE)



The contracts entered into by the Group's companies include specific clauses on ethics and anti-corruption and anti-fraud provisions that bind the third party to business ethics and integrity established in the Code of ethics and the Anti-corruption and anti-fraud policy.

## 5.2 Sustainability - Supplier development

The compliance function of each company, in line with the Iberdrola Group's strategic goals on sustainability, encourages the development of compliance systems in the third parties with which it interacts.

In coordination with the Procurement Division, the compliance function maintains regular contact with strategic suppliers in order to promote the implementation in their organisations of effective compliance systems aligned with the principles set out in the Governance and sustainability system.

The impact of these actions is monitored through the evolution of the supplier's score in the supplier assessment model developed by the Procurement Division according to sustainability criteria.

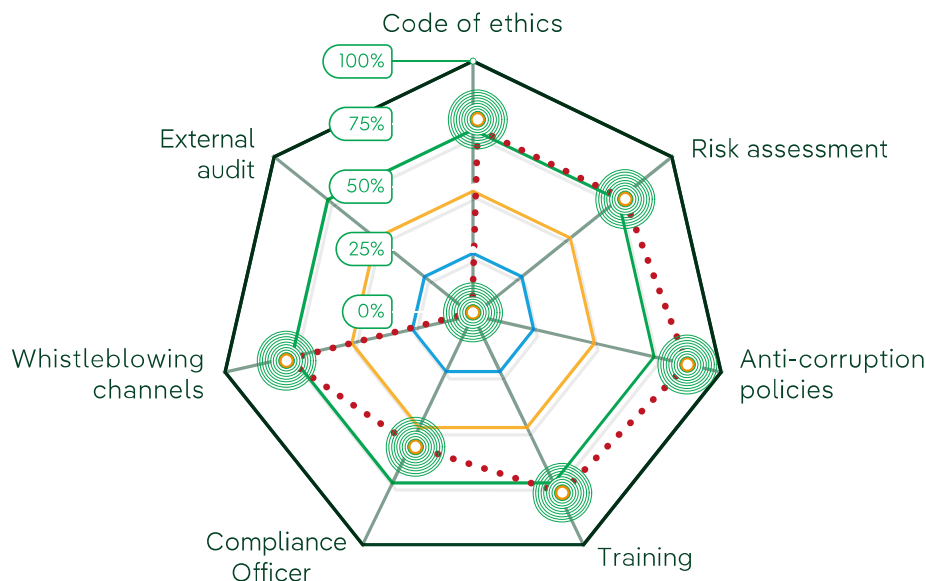
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**154 main suppliers**  
of Iberdrola Energía Internacional  
have a robust compliance system<sup>2</sup>

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2. A score of 7 out of 10 or more in the ethics and compliance section of the supplier assessment model.

## PRESENCE OF ELEMENTS OF A COMPLIANCE SYSTEM AT THE IBERDROLA GROUP SUPPLIERS<sup>3</sup>



The compliance function is proactively requesting its key suppliers in the Group companies to have their ethics and compliance systems audited by an independent third party. In this regard, in 2024, Iberdrola has helped 19 key suppliers in the development of their compliance systems. This help includes specific meetings to know key elements of their compliance system, the assessment of documentation and the establishment of an agreed road map to improve their compliance system. The purpose of these sessions is to reinforce the supplier's compliance system so it can be subject to an external audit in accordance with the best practices in the matter.

## 5.3 Strategic projects

The Investment policy approved by Iberdrola, S.A.'s Board of Directors adopted by the governance bodies of Iberdrola Energía Internacional and its Subsidiary Companies establishes the need to involve the compliance function in strategic decisions to carry out, before their approval, an analysis of the possible risk of fraud and corruption associated with each investment or divestment project. During 2024, the compliance functions assessed a total of 14 projects of Iberdrola España and its Subsidiary Companies.

3. Information on the 4,227 suppliers of the Iberdrola Group companies with the highest turnover.

## 5.4 Employees

### Background Checks

The compliance units carry out prior checks on the persons who assume management functions in their respective companies, by analysing publicly available information, in order to ensure their suitability from a compliance perspective (background checks).

In 2024, the compliance function has carried out 18 background checks on members of the senior management teams in Iberdrola Energía Internacional and its Subsidiary Companies. None of the candidates were rejected as a result of these assessments.

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**18 background checks**  
to the management team

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### Conflicts of interest

In accordance with the provisions of the Code of ethics, Group professionals are obliged to report in writing any conflict of interest situations in which they find themselves.

In 2024, the compliance function collected statements of conflicts of interest from members of the management team and certain professionals in key positions in Iberdrola Energía Internacional and its Subsidiary Companies. As a result of this process and of spontaneous employee communications received reporting potential situations of conflict of interest, 356 statements have been collected. There was no need to recommend the implementation of specific preventive measures.

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**356**  
conflict of interest communications

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## Related transactions

In accordance with the provisions of the Procedure for related party transactions with members of Senior Management, delegated related party transactions and related party transaction lines and similar regulations applicable in the Group's head of business companies, the compliance divisions have sought 9 statements from the members of senior management of their respective companies about:

- a) any conflicts of interest that they or their related parties may have with Group companies;
- b) and any related-party transactions they intend to carry out.

## Gifts and hospitality

The Protocol for gifts and hospitality sets out the principles to be observed by professionals for the offer and acceptance of gifts from third parties in the professional environment.

The compliance function of Iberdrola Energía Internacional and its Subsidiary Companies has managed 22 queries related to the acceptance of gifts and hospitalities received.

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22 queries  
regarding gifts and hospitalities

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## Remuneration and performance

All persons joining the Company formally undertake to comply with the principles of ethics and transparency established in our Code of ethics.

As a sign of this strong commitment, the Group's strategic goals include a series of sustainability indicators among which are goals related to the Compliance system. The achievement of these goals is linked to the variable remuneration of the management team throughout the Group.

In addition, the performance of each professional in accordance with the principles of ethics and transparency is one of the basic pillars of the annual performance appraisal process, in which both the employee and their immediate superior participate.

## 5.5 Competition

In accordance with the provisions of the Action protocol for fair competition of Iberdrola Energía Internacional and similar regulations in the Subsidiary Companies, a series of measures and controls have been implemented with the aim of ensuring compliance with the legislation in force in this matter concerning the following areas:

### Tenders and public auctions

Those responsible for submitting bids and taking part in public auctions provide an annual certification that these are prepared according to the principles established in the Action protocol to ensure fair competition. These verifications are done, among other, by those submitting offers in public tenders for building electric energy production facilities.

## 5.6 Prevention of money laundering

Although Iberdrola Energía Internacional and its Subsidiary Companies are not subject to Law 10/2010, on money laundering and terrorism financing prevention, the risk of committing this type of crime is part of their respective crime prevention programmes. As a consequence, all companies mentioned have controls in place to suitably cover this risk.

## 5.7 Artificial intelligence

The boards of directors of Group companies have Iberdrola, S.A.'s Policy on the responsible use of artificial intelligence tools, setting the principles that must govern the design, development and application of artificial intelligence tools, as well as their sensitive use:

- Respect for human beings and social well-being.
- Diversity, non-discrimination and equity.
- Innovative culture.
- Privacy.
- Transparency.
- Security and resilience.
- Training and raising awareness

# 06. Ethical culture



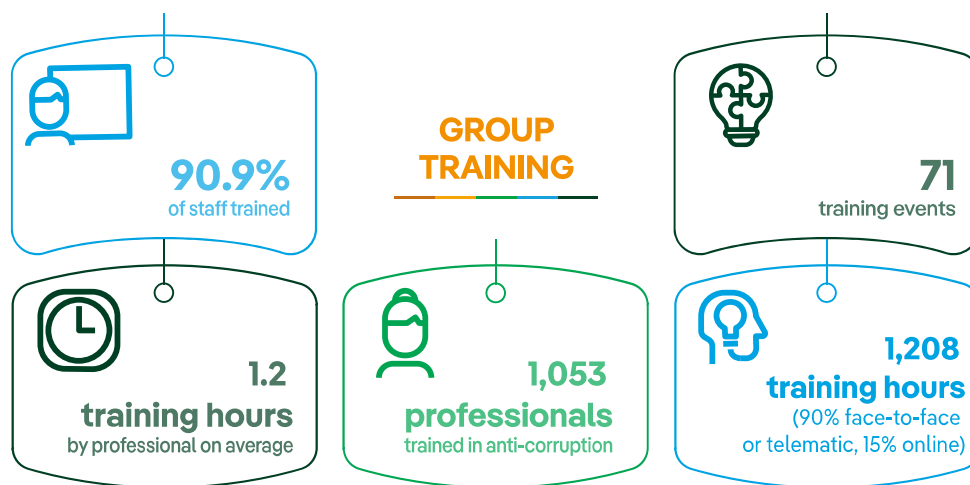
## 6.1 Training

Training is one of the fundamental pillars of the compliance function and of the awareness of and compliance with the Code of ethics by all professionals in Iberdrola Energía Internacional and its Subsidiary Companies. Within this context, the compliance units plan their training activities yearly in collaboration with the corresponding People and Organisation divisions.

The training strategy is based on global training initiatives for the professionals of Iberdrola Energía Internacional and its Subsidiary Companies, on compliance issues of a general nature and applicable to the majority of the workforce, and additionally develops specific training plans for certain groups of professionals for whom special and specific compliance risks have been identified. Accordingly, the Global Compliance Training Plan includes training activities specifically adapted to:

- Directors.
- Senior management.
- New hires.
- Managers and team leaders.
- Staff in key positions to mitigate risks.
- Other professionals.
- Value chain.

For all this, the the compliance units use different training formats such as online courses, telematic courses, videos, face-to-face training sessions given by external professionals or by those responsible for the compliance function.



## 6.2 Communications

### Communication plan

The dissemination and communication of the Group's ethical principles and the essential elements of the Compliance system of Iberdrola Energía Internacional and its Subsidiary Companies is one of its essential elements.

The Unit has a Communications Plan for 2023-2025 setting the following goals:

- Ensuring that professionals perceive the value that Compliance actions entail for themselves as well as for the company
- Raising the awareness of professionals about the most relevant risks associated with their professional activity and the regulations or recommendations in order to minimise them
- Promoting the participation of professionals in the Compliance activities that require it
- Encourage the involvement of managers and middle management in the transmission of the compliance culture to their teams.

For communication activities, the different available tools and channels have been used, selecting the most effective according to the specific features of each case. The support, collaboration and advice of the Communication Department have been available at all times.

### Number of communication initiatives per channel

Internal activities	
Employee portal	41
Mailing	25
Video	5
Newsletter	4
Information screens	2
WhatsApp	2
Knowledge sharing sessions	1

External activities	
Mailing	3
Press	2
Corporate website	1

Among the numerous communications activities carried out during 2024, the video disseminated on social media where the Compliance director, using a casual tone, accepted the challenge to review in under a minute the main milestones and metrics of the Compliance system of the different Iberdrola Group companies in 2024.

## Awareness of the supply chain

### Supplier of the Year Awards

In 2024, Iberdrola has held the 9th edition of the "Supplier of the Year Awards" in Spain to promote and drive excellence among its suppliers. The different award categories recognise suppliers' works in areas as relevant for Iberdrola as service quality and response, health and safety, environment, sustainability, internationalisation, job creation, competitiveness and innovation and diversity and equality.

A new aspect in this 2024 edition was the inclusion of a new category names "Ethics and Compliance" aiming at recognising the supplier that has shown the greatest commitment to ethics business conduct, establishing an effective compliance system that ensures transparency and integrity in all its activities.

This award, widely disseminated among communications and social media, is once again proof of the group companies' effort in driving the implementation of robust compliance systems in its supply chain.

### Training of the supply chain

In 2024, the Iberdrola Group has reiterated its commitment with the dissemination of ethical business conduct and compliance through several initiatives promoting the development of robust compliance systems among its supply chain:

- On the corporate website (www.iberdrola.com) several content to promote ethical principles in the supply chain have been made available to suppliers. Among the material available, the interactive on-line module designed to improve the knowledge our suppliers have of the key elements of an effective compliance system stands out.
- Face-to-face and remote training sessions on crucial Compliance matters, such as the Code of ethics and crime prevention, have been held, and more than 1,500 professionals from several suppliers attended those sessions.
- A mailing campaign addressed to 1,160 suppliers was carried out to highlight the importance of internal whistle-blower channels, reminding them of the whistle-blower channels existing

in Iberdrola Group companies and driving them, if applicable, to implement and disseminate their own channels among their professionals and supply chain. In addition, a similar communication has been sent to 464 key international suppliers of the Company and its Subsidiary Companies.

- In this regard, in 19, Iberdrola has helped 19 key suppliers in the development of their compliance systems. This help includes specific meetings to know key elements of their compliance system, the assessment of documentation and the establishment of an agreed road map to improve their compliance system. The purpose of these sessions is to reinforce the supplier's compliance system so it can be subject to an external audit in accordance with the best practices in the matter.

## 6.3 Measuring the effectiveness

### Survey of ethical culture

The compliance units conduct the ethical culture survey among professionals aimed at measuring the degree of ethical culture at Iberdrola Group companies and monitoring its evolution over time. This survey, which is carried out every two years and is addressed to all staff, covers the following issues:

- Knowledge of the compliance system.
- Perception of the compliance function.
- Irregularities observed and reported.
- Pressure to commit irregularities.
- Organisational justice.
- Perception of the integrity of colleagues, managers and the management team.

The survey in 2024, where 443 professionals of Iberdrola Energía Internacional and its Subsidiary Companies (43% of the staff) took part, gathers that these professionals highly value the ethical culture in the Group and they believe the conduct of the professionals and the management teams responds to the guidelines set in our Code of ethics

The survey has also brought to life the positive impact the internal reporting channels and the fact that professionals in charge of other people openly talk to their teams about Compliance risks. Thus, in order to promote the use of the internal reporting channels, it is expected that in 2025 several initiatives will be launched to drive this dialogue between managers and their teams.

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# 443 professionals

## have participated in the ethical culture survey

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### Supplier survey

In 2024 the 9th edition of the Supplier Survey was held and 2,251 Iberdrola Group suppliers took part in it. This survey is a key tool to identify the aspects best valued by suppliers in our procurement process and those where there is area for improvement.

As in previous editions, the survey includes a section dedicated to “Ethics and compliance” where participants are asked: (i) whether they are aware of the existence of internal reporting channels (whistle-blower channels) of the Iberdrola Group companies, and (ii) if they have observed any irregular conduct by any professional in the Iberdrola Group companies. In this edition, 53% of the suppliers surveyed declare to know the existence of Iberdrola Group's internal reporting channels and 2.3% declare to have observed an irregular conduct.

### Data analytics

The measuring of the effectiveness of the actions carried out by the compliance function on training and awareness is one of the priorities of the compliance units. For this reason, the Iberdrola Group has developed a data model that calculates the relation between awareness actions (training sessions and internal communications) and the Internal reporting system activities (complaints and queries), identifying communication patterns that are even more effective.

The model also monitors through the tool Google Analytics professionals' interaction with content related to ethics and compliance available on the employee portal (policies and regulations downloaded, content views, etc.).

The analysis of these data and their evolution over time allow to measure the effectiveness of awareness actions and set recommendations and improvement plans adapted to the specific cases of each of the Group companies.

# 07. Internal reporting system

Monitoring activities are conceived as detection and control mechanisms for verifying the effectiveness of the preventive measures implemented. They also enable the continuous improvement of the compliance systems. The key elements to detect unlawful conduct are the internal reporting channels enabled at Group companies.

The management of the internal reporting channels provided for in the Code of ethics and in the Policy on compliance and the internal information and whistle-blower protection system corresponds to the compliance units of the different companies of the Group.

The Group's internal reporting channels are configured as tools made available to all shareholders, directors, professionals, suppliers, and other third parties as determined by law to report conduct that may involve committing any irregularity or any act that is unlawful or contrary to law or to the Governance and sustainability system. In addition, these mailboxes can be used to submit queries on aspects relating to the interpretation of and compliance with the Code of ethics and to any matter relating to compliance. All communications received through these internal channels are considered confidential information and, in the case of complaints, may be anonymous.

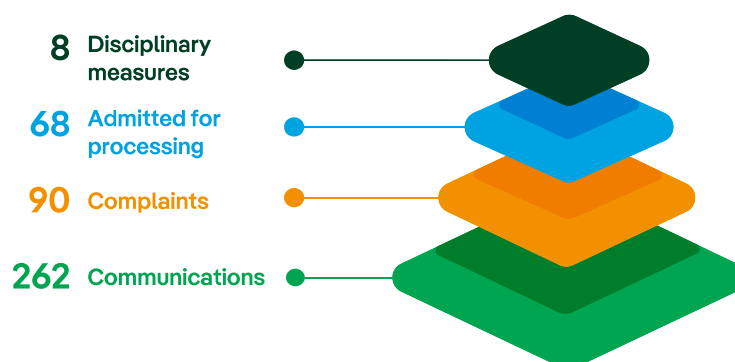
For its members of its boards, professionals and suppliers, the Group companies have established the duty to report, through the above mentioned reporting channels, any irregular act of which they become aware.

In all cases, the Group is expressly committed, as reflected in the Code of ethics, in the Policy on compliance and the internal reporting and whistle-blower protection system and in the rest of the procedures and internal regulations on the matter, to the prohibition of reprisals against those who make use of the aforementioned internal channels, except in cases of bad faith where the relevant measures will be adopted.

These internal reporting channels, enabling anonymous complaints, along with the principles governing the processing of the communications received through these channels, are available 24/7 on the Iberdrola Group companies' websites and on the employee portal.

The processing of complaints and queries made through the internal reporting channels corresponds to the competent compliance unit, as the case may be. Both involve an essential source of information for identifying points for improvement in the compliance system and additional prevention and control mechanisms.

The communications received at Iberdrola Energía Internacional and its Subsidiary Companies through the internal reporting and complaints channels in 2024 amount to a total of 66, of which 48 are queries and 18 are complaints.

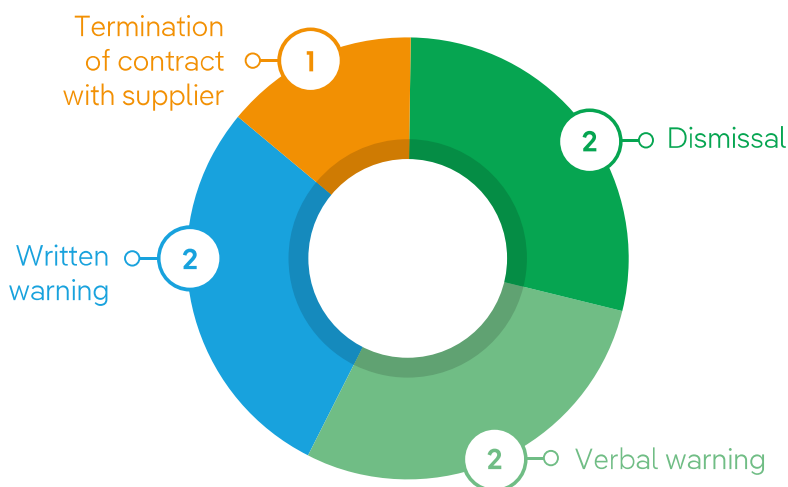


Of the 18 complaints, 12 have been admitted for processing.

Admitted for processing by nature	
Inappropriate conduct between employees	5
Compensation	1
Harassment at work	3
Fraud	1
Contracting and Selection	0
Sexual harassment	1
Social media	1
Trade secrets	0
<b>TOTAL</b>	<b>12</b>

In 2024 7 disciplinary measures have been adopted within the perimeter of berdrola Energía Internacional and its Subsidiary Companies since it has been evidenced there has been an irregular conduct or a conduct contrary to the internal regulations or the Code of ethics Of these, one has been applied to a supplier.

## DISCIPLINARY MEASURES





# 08.

## Monitoring and review

## 8.1 Monitoring indicators

On a frequent basis, the Unit supervises the effectiveness of the Compliance systems of Iberdrola Energía Internacional and its Subsidiary Companies by reviewing the indicators of the main compliance risks (KRIs) as well as the effectiveness of the compliance units' activities (KPIs). The indicators cover the following aspects, among others:

- Operations in countries considered by the compliance function to be above a higher-than-normal level of risk.
- Third-party risk assessment.
- Internal information channel activities.
- Monitoring risky operations.
- Ethical development of suppliers.
- Training activities.
- Internal and external communication initiatives.
- Conflicts of interest.
- Background checks on professionals.
- Gifts and hospitality given and received by professionals.
- Legal proceedings involving professionals as result of their professional activity in the Group.
- Audits and reviews of the Group companies' compliance systems.

## 8.2 Internal audit

Internal Audit, as an independent function, carries out periodic audits of the compliance system of Iberdrola Energía Internacional and its Subsidiary Companies, making the appropriate recommendations for their continuous improvement.

The Internal Audit and Risks Divisions formalised a coordinated assurance approach to the monitoring of the Compliance system, which has three main lines of action:

### **a) Internal Audit activity plan**

In general, the Internal Audit area carries out an on-going review of the compliance systems of the Group companies through the specific audit works included in the annual activity plans approved by the respective governance bodies.

### **b) Specific review of the different areas of the Compliance System**

Specifically, and on a multi-annual basis, Internal Audit carries out a review of the different areas that make up the Compliance system:

- Code of ethics, in relation to the specific competencies entrusted to the compliance units.
- Crime prevention programme (related policies, procedures and protocols).

### **c) Collaboration in investigations**

At the request of the compliance units, the Internal Audit division will collaborate in investigations that may affect the corresponding companies' Internal Control System.

Within this framework of action, during 2024, the Internal Audit and Risks Division has audited, among other works, the compliance by the compliance units of Iberdrola Energía Internacional and its Subsidiary Companies of the obligations attributed to their corresponding boards of directors in their respective regulations. A specific audit on the performance of the Internal reporting systems (whistle-blower channels) of the Group companies has also been carried out.

## 8.3 External reviews

### ISO 37001 "Anti-bribery management system" and UNE 19601 "Criminal compliance management system" certifications

In 2024 AENOR renewed the compliance system certificates of Iberdrola Energía Internacional and its Subsidiary Companies in accordance with:

- I. the UNE 19601 standard on compliance compliance management systems, and/or
- II. the UNE-ISO 37001 standard on anti-bribery management system.

These certifications were first obtained by the Company in 2017.

### External audit of the crime prevention programmes

In 2024, the law firm Uría Menéndez Abogados, S.L.P. ("**Uría Menéndez**") issued an external audit report on the effectiveness of the Crime Prevention Programmes implemented in Iberdrola Energía Internacional and Iberdrola Renovables Internacional, as well as the international Programme. The review concludes that these programmes incorporate and adopt the best international practices, are effective and are useful in significantly reducing the risk of commission of the crimes that they seek to prevent. Likewise, the assessment work brought forth certain improvement recommendations, the implementation of which is coordinated by the respective compliance units.

The crime prevention programmes of Iberdrola Energía Internacional, Iberdrola Renovables Internacional and the International Programme have been subject to the aforementioned annual audit since 2020. Additionally, in Italy, Uría Menéndez, through its best friend firm Mondini Bonora Ginevra, has completed the review of Iberdrola Renovables Italia, S.p.A.'s crime prevention programme (Form 231), and in Australia the law firm Corrs Chambers Westgarth has reviewed Iberdrola Australia Ltd.'s crime prevention programme. Crime prevention programmes of said companies have been subject to the aforementioned annual audit since 2023.

## Audit of the internal reporting system

The Company requests on a frequent basis an independent audit on the performance of the internal reporting channels (whistle-blower channels). The main goals of this audit are:

- Verify that when an anonymous communication is received through the whistle-blower channel form, it is materially impossible to find out the whistle blower's identity.
- Ensure that the content of communications received through the whistle-blower channel is not accessible to third parties or to anyone other than the user of the whistle blowing tool.

Following the assessment carried out by Tarlogic and based on the evidence obtained, it has been concluded that the security measures implemented guarantee the confidentiality, integrity and availability of the data managed by the platform.

# 9.

## Dissemination and promotion of business ethics

The compliance function carries out activities aimed at promoting the adoption of effective compliance systems in the business fabric, as well as the development and professionalisation of the compliance function in organisations.

In line with the above, as has been previously mentioned, in 2024 Iberdrola held the 9th edition of the “Supplier of the Year Awards” in Spain to drive and promote excellence among its suppliers. A new category has been included, named “Ethics and Compliance”, whose goal is to recognise the suppliers that has showcased a greater commitment to ethical business conduct, establishing an effective compliance system that ensures transparency and integrity in all their activities.

**The  
Compliance  
system is  
audited  
externally  
every year**

