

Santiago Martínez Garrido

General secretary and secretary of the Board of Directors

Bilbao, 5 July 2023

To the National Securities Market Commission

Other relevant information

Supplement to the information memorandum (documento informativo) of the first edition of the “Iberdrola Retribución Flexible” optional dividend system of the fiscal year 2023

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 further to our notice of other significant information (comunicación de otra información relevante) filed with this National Commission on 20 June 2023 (with official registry number 23,159), regarding the terms and conditions of the first edition of the “Iberdrola Retribución Flexible” optional dividend system of the fiscal year 2023, we hereby advise you that, on the date hereof, the following matters regarding such system have been determined by the Executive Committee of “Iberdrola, S.A.” (the “Company”):

- (a) The implementation of the first paid-up capital increase approved by the General Shareholders’ Meeting of the Company held on first call on 28 April 2023 under item 10 on the agenda and under the section titled «Common terms and conditions of the dividend payment and increase in share capital resolutions proposed under items 9, 10 and 11 on the agenda, pursuant to which the “Iberdrola Retribución Flexible” optional dividend system is implemented» (the “**Capital Increase**”)
- (b) The payment of a supplementary dividend corresponding to the fiscal year 2022, which was approved by the referred General Shareholders’ Meeting under item 9 of its agenda (the “**Supplementary Dividend**”).

In particular, the following matters have been determined:

- (i) The maximum market value of reference for the Capital Increase amounts to 2,024 million euros. This amount guarantees a gross amount of the Supplementary Dividend of, at least, 0.310 euros per share.
- (ii) The maximum number of shares to be issued by means of the Capital Increase is 168,648,648.
- (iii) The number of free-of-charge allocation rights required to receive one new share is 37.
- (iv) The maximum nominal amount of the Capital Increase is 126,486,486.00 euros.
- (v) The gross amount of the Supplementary Dividend per share is 0.316 euros.

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- (vi) The aggregate maximum gross amount of the Supplementary Dividend is 1,971,840,000.00 euros. This amount results from multiplying the total number of outstanding shares of the Company as of the date hereof<sup>1</sup> (without deducting the Company's treasury stock) by the gross amount per share previously mentioned (i.e., 0.316 euros).

Likewise, and for the purposes of article 1.5.(g) of the *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* (the "**Regulation**"), we provide you with the supplement to the information memorandum (*documento informativo*) regarding the implementation of this first edition of the "*Iberdrola Retribución Flexible*" optional dividend system corresponding to the fiscal year 2023, which is attached as an annex and which has been approved today.

In this respect, pursuant to article 1.5.(g) of the Regulation, the admission to trading of the new shares of the Company issued within the context of the optional dividend system "*Iberdrola Retribución Flexible*" shall not entail the obligation to publish the prospectus established in the Regulation, "*provided that the said shares are of the same class as the shares already admitted to trading on the same regulated market and that a document is made available containing information on the number and nature of the shares and the reasons for and details of the offer or allotment*".

Likewise, it is stated that the aforementioned information memorandum (*documento informativo*), together with its referred supplement, constitutes the document referred to in article 1.5.(g) of the Regulation, and renders the preparation and publication of a prospectus (*folleto informativo*) with respect to the Capital Increase unnecessary.

Please be advised that the summary included above is part of the supplement to the above referred information memorandum, and should therefore be read in conjunction with such supplement.

This information is provided to you for the appropriate purposes.

General secretary and secretary of the Board of Directors

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<sup>1</sup> Assuming that the number of outstanding shares of the Company as of 10 July 2023 (record date) will be the same (i.e. 6,240,000,000 shares). This number is the one resulting from the implementation of the share capital reduction through the retirement of own shares approved by the General Shareholders' Meeting under item 12 of its agenda, which has been formalized by virtue of the public deed which is expected to be registered with the Commercial Registry of Bizkaia tomorrow, 6 July 2023.



## IMPORTANT INFORMATION

This communication does not constitute an offer to purchase, sell or exchange or the solicitation of an offer to purchase, sell or exchange any securities. The shares of "Iberdrola, S.A." may not be offered or sold in the United States of America except pursuant to an effective registration statement under the Securities Act or pursuant to a valid exemption from registration.

This communication contains forward-looking information and statements about "Iberdrola, S.A.", including financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, capital expenditures, synergies, products and services, and statements regarding future performance. Forward-looking statements are statements that are not historical facts and are generally identified by the words "expects", "anticipates", "believes", "intends", "estimates" and similar expressions.

Although "Iberdrola, S.A." believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of "Iberdrola, S.A." securities are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of "Iberdrola, S.A.", that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in the public documents sent by "Iberdrola, S.A." to the *Comisión Nacional del Mercado de Valores*.

Forward-looking statements are not guarantees of future performance. They have not been reviewed by the auditors of "Iberdrola, S.A." You are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date they were made. All oral or written forward-looking statements hereby made or otherwise attributable to "Iberdrola, S.A." or any of its members, directors, officers, employees or any persons acting on its behalf are expressly qualified on its entirety by the cautionary statement above. All the forward-looking statements included herein are based on information available to "Iberdrola, S.A." on the date hereof. Except as required by applicable law, "Iberdrola, S.A." does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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**Annex**  
**Supplement to the information memorandum of the first edition of the “Iberdrola Retribución Flexible”  
optional dividend system of the fiscal year 2023**

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**SUPPLEMENT TO THE INFORMATION MEMORANDUM OF THE FIRST EDITION OF THE “IBERDROLA RETRIBUCIÓN FLEXIBLE” OPTIONAL DIVIDEND SYSTEM OF THE FISCAL YEAR 2023**

**1. PURPOSE**

**1.1. Background**

The General Shareholders’ Meeting of “Iberdrola, S.A.” (hereinafter, the “**Company**”) held on 28 April 2023 (the “**General Shareholders’ Meeting**”) approved, under item 10 on the agenda and under the section titled «*Common terms and conditions of the dividend payment and increase in share capital resolutions proposed under items 9, 10 and 11 on the agenda, pursuant to which the “Iberdrola Retribución Flexible” optional dividend system is implemented*» (the “**Common Terms**” and the “**Capital Increase Resolution**”, respectively), an increase in wholly paid-up share capital with a charge to the reserves contemplated in article 303.1 of the *Companies Act (Ley de Sociedades de Capital)*, which restated text was approved by the Royal Legislative Decree 1/2010, of 2 July (*Real Decreto Legislativo 1/2010, de 2 de julio*) (the “**Companies Act**”), by means of the issuance of ordinary shares for their free-of-charge allocation to the shareholders of the Company (the “**Capital Increase**”).

On 20 June 2023, the Board of Directors of the Company approved the implementation of the Capital Increase and resolved to set the market value of reference for the Capital Increase in an amount within the minimum of 1,978 million euros and the maximum of 2,065 million euros, which is, in any case, within the maximum limit established in the Capital Increase Resolution (i.e., 2,275 million euros), and to delegate to the Executive Committee and to Mr José Ignacio Sánchez Galán, jointly and severally, the power to determine the concrete amount of such market value of reference within the referred range.

Likewise, the General Shareholders’ Meeting approved under item 9 of its agenda and under the Common Terms, the payment of a supplementary dividend corresponding to the fiscal year 2022 (the “**Supplementary Dividend**”), delegating in favour of the Board of Directors the determination of the gross amount to be paid as Supplementary Dividend for each share with a right to receive it. On such date, the Board of Directors of the Company, exercising the referred delegated authority, resolved that the amount of the Supplementary Dividend shall in all cases guarantee a gross amount of, at least, 0.310 euros per share.

Within this context, the Company issued an information memorandum (*documento informativo*), pursuant to the provisions of article 1.5.(g) of the *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* (the “**Regulation**”), in which information available on such date “with respect to the first edition of the «*Iberdrola Retribución Flexible*» optional dividend system corresponding to the fiscal year 2023 and with the *Flexible Remuneration Options*” was provided, which was made available to the public by means of a notice of other significant information (*comunicación de otra información relevante*) dated 20 June 2023 (with official registry number 23,159) (the “**Information Memorandum**”).

**1.2. Purpose**

This document supplements the Information Memorandum and is intended to provide the public with the information regarding the Capital Increase and the payment of the Supplementary Dividend that was not available on the publication date of the Information Memorandum, particularly, the maximum market value of reference for the Capital Increase, the number of free-of-charge allocation rights necessary to receive one new share of the

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Company, the maximum number of new shares to be issued by means of the Capital Increase, the maximum nominal amount of the Capital Increase and the gross amount of the Supplementary Dividend per share.

Finally, please be advised that this supplement, together with the Information Memorandum, constitutes the document referred to in article 1.5.(g) of the Regulation, and renders the preparation and publication of a prospectus (*folleto informativo*) with respect to the Capital Increase unnecessary. Both documents are available on the Company's corporate website ([www.iberdrola.com](http://www.iberdrola.com)) and on the website of the National Securities Market Commission ([www.cnmv.es](http://www.cnmv.es)).

Capitalised terms not expressly defined in this document shall have the meaning provided in the Information Memorandum.

## **2. INFORMATION AVAILABLE REGARDING THE CAPITAL INCREASE AND THE SUPPLEMENTARY DIVIDEND**

### **2.1. Maximum market value of reference for the Capital Increase, maximum number of new shares to be issued, number of free-of-charge allocation rights needed for the allocation of one new share, and maximum nominal amount of the Capital Increase**

Pursuant to the delegation of powers made by the Board of Directors on 20 June 2023, the Executive Committee of the Company has set the maximum market value of reference for the Capital Increase (the Amount of the Option) in 2,024 million euros –which amount guarantees that the gross amount of the Supplementary Dividend per share is, at least, of 0.310 euros– and has determined the following terms and conditions of the Capital Increase by performing the arithmetical operations provided for in the formulas approved by both the General Shareholders' Meeting and the Board of Directors:

- (i) The maximum number of shares to be issued by means of the Capital Increase is 168,648,648.

However, as established in the Information Memorandum, the number of shares actually issued will depend on the number of shareholders who decide not to waive their free-of-charge allocation rights. For these purposes, it will be understood that the shareholders who choose to receive the Supplementary Dividend during the Common Election Period in connection with all or part of the Company's shares held by them expressly waive all or part (as the case may be) of the free-of-charge allocation rights to which they will be entitled<sup>2</sup>.

Accordingly, the only new shares that will be issued will be those corresponding to the free-of-charge allocation rights which do not correspond to the Company's shares in respect of which their holders have chosen to receive the Supplementary Dividend.

In any event, the final number of shares to be issued within the context of the Capital Increase will be communicated to the public on a timely basis by means of a notice of other significant information

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<sup>2</sup> Likewise, if after deducting the shares corresponding to the free-of-charge allocation rights resulting from shares in respect of which their holders have chosen to receive the Supplementary Dividend, the number of outstanding shares of the Company is a fraction, the Company will also waive that number of its free-of-charge allocation rights that are required for the number of new shares ultimately issued under the Capital Increase to be a whole number and not a fraction.

(*comunicación de otra información relevante*) regarding the closing of such increase, which is expected to be published as from 27 July 2023.

- (ii) The number of free-of-charge allocation rights required to receive a new share is 37.

Shareholders of the Company: (a) who acquired their shares of the Company before 23:59 Madrid time on the day of publication of the notice of the implementation of the Capital Increase in the Official Gazette of the Commercial Registry (which is expected to take place on 6 July 2023) –last trading date–; and (b) whose stock transactions have been settled up to 10 July 2023 (record date) in the book-entry records of “*Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal*” (IBERCLEAR), will receive one free-of-charge allocation right per each share of the Company that they hold. Therefore, each of the above-mentioned entitled persons will have the right to receive one new share for every 37 old shares that they hold on 10 July 2023 (record date).

- (iii) Thus, the maximum nominal amount of the Capital Increase is 126,486,486.00 euros.

However, as indicated above, the amount of the actual increase in the Company's share capital will be the result of multiplying the final number of shares issued by their nominal value (0.75 euros).

In order to ensure that the number of free-of-charge allocation rights needed to receive one new share and the number of new shares issued within the context of the Capital Increase are whole numbers, the Company has waived 24 free-of-charge allocation rights corresponding to 24 shares that it holds.

In applying the formulas approved by both the General Shareholders' Meeting and the Board of Directors to determine the foregoing items, the Executive Committee of the Company has taken into account that:

- (i) the “TNShr” or the outstanding number of shares of the Company as of the date of this document is 6,240,000,000<sup>3</sup>. This number results from the implementation of the share capital reduction through the retirement of own shares approved by the General Shareholders' Meeting under item 12 of its agenda, which has been formalised by virtue of the public deed which is expected to be registered with the Commercial Registry of Bizkaia tomorrow, 6 July 2023; and
- (ii) the “ListPri,” understood as the arithmetic mean of the average weighted listing prices of the Company's shares on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges at the five trading sessions corresponding to 28, 29 and 30 June and 3 and 4 July 2023, as such average appears in the certification issued by the Governing Company (*Sociedad Rectora*) of the Bilbao Stock Exchange on 4 July 2023, rounded to the closest one-thousandth part of one euro, is 11.997 euros.

## **2.2. Gross amount of the Supplementary Dividend per share**

The amount of the Supplementary Dividend per share, calculated in accordance with the formulas included in the Common Terms and the referred resolutions of the Board of Directors of 20 June 2023, is 0.316 gross euros per share.

As a consequence thereof, the aggregate maximum gross amount of the Supplementary Dividend will be 1,971,840,000.00 euros, amount which results from multiplying the gross amount of the Supplementary Dividend

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<sup>3</sup> Assuming that the number of outstanding shares of the Company as of 10 July 2023 (record date) will be the same.



per share by the total number of outstanding shares of the Company as of the date hereof (*i.e.*, 6,240,000,000)<sup>4</sup> without deducting the Company's treasury stock. Notwithstanding the above, the amount that the Company will eventually have to pay arising from the Supplementary Dividend will depend on the number of shareholders who choose this Remuneration Option.

Finally, it is stated that the free-of-charge allocation rights acquired during the trading period will not grant to their holders the right to choose to receive the Supplementary Dividend. Exclusively, those shareholders who are holders of shares of the Company on 10 July 2023 (record date) will be entitled to receive the Supplementary Dividend in the context of this edition of the "*Iberdrola Retribución Flexible*" optional dividend system.

In Bilbao, on 5 July 2023.

"Iberdrola, S.A."

By

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

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<sup>4</sup> Assuming that the number of outstanding shares of the Company as of 10 July 2023 (record date) will be the same.

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