



Introduction to Book Two - Purpose

1. The Governance and Sustainability System constitutes the internal regulatory framework for the Company and that of its group, and is established in the exercise of the corporate autonomy that the law supports to ensure the realisation of its purpose and its values, as well as the achievement of its business ends and goals through its rules.
2. The Company's Governance and Sustainability System and, more specifically, its *Articles of Association*, which constitute its source and primary standard, recognise and validate that the Company is guided and governed by the *Purpose and Values of the Iberdrola group*, which make up its corporate philosophy and its ideological and axiological basis.
3. This commitment of the Company to the *Purpose and values of the Iberdrola group*, which is expressly recognised in its *Articles of Association* and inspires its Governance and Sustainability System, has profound implications.

It assumes, amongst other things, that their achievement constitutes the Company's determining and ultimate purpose, which, strictly speaking, identifies and singles it out as a business enterprise. Hence, the reception of a purpose and values, which transcends purely economic benefits in the short term, sets in itself a clear aim, a precise guide and orientation of its work, a singular comprehension and understanding of the role to be played by its Stakeholders, as well as of its links and ties with the communities which it is related to. The identification and definition of a specific purpose and values ultimately determines that its entire internal organisation, the Governance and Sustainability System, is conceived, implemented, applied, and interpreted based on each of them as they constitute its true foundational, informational, and guiding principles.

4. The purpose of the Iberdrola group is its *raison d'être*: "*to continue building a more electric, healthy and accessible energy model together every day*" "; and its values constitute the way it functions, synthesised under the expressions "sustainable energy", "integrating force" and "driving impulse".
5. The *Iberdrola group's Purpose and Values* are based on on the one hand, and developed in on the other, the basic definitions of corporate purpose, interest and social dividend and good governance set out in the *Articles of Association*.

This purpose and the values guide the Company and its group of companies towards comprehensive (economic, social, and environmental), responsible, and sustainable business action that contributes to the Sustainable Development Goals (SDGs) approved by the United Nations, meets ESG (*Environmental, Social, and Governance*) requirements, and seeks to obtain benefits and the satisfaction of equally comprehensive economic and social "dividends" for all of its Stakeholders, for the communities in which it operates, and for society in general.

6. Without prejudice to inspiring and reporting the entire Governance and Sustainability System of the Company, the *Code of Ethics* and the general or transversal corporate policies included as content of this Second Book are immediate outcomes of the *Purpose and Values of the Iberdrola group*.

The *Code of Ethics* is the specific definition for Iberdrola and its group, made through the lens of the *Purpose and Values of the Iberdrola group*, social ethics, the generally accepted ethical principles and standards, constituting the guide for conduct that must govern the actions of all its members and of all those related to or connected to it.

The corporate policies included in Book Two, which are the *General Sustainable Development Policy* and the *Stakeholder Relations Policy*, constitute the general framework, guidelines, instructions, or generic criteria within which all other more specific or unique corporate policies, whether environmental, social, risk, or corporate governance policies, are included. The first develops the Iberdrola group's strategy regarding sustainable development around the aforementioned ESG axes or objectives. It is the Iberdrola group's response to how to carry out its business activities and how to fulfil its purpose in these areas of activity, and how to achieve, in short, this sustainable business value. The second, for its part, establishes the general guidelines for relations, redefined by the *Purpose and Values of the Iberdrola group*, with all of the Company's own and specific Stakeholders.

7. With the identification and adoption of the *Purpose and Values of the Iberdrola group*, the *Code of Ethics*, the *General Sustainable Development Policy*, and the *Stakeholder Relations Policy* and its incorporation into its Governance and Sustainability System, Iberdrola Renovables Internacional, S.A.U reaffirms its current identity, which develops comprehensive, committed, and shared corporate action with its Stakeholders, to whom it provides leadership and traction in its area of activity based on sustainable development within the general framework of respect for human rights, the social market economy, and social ethics.

In Bilbao, on 7 October 2021

The Board of Directors of Iberdrola Renovables Internacional, S.A.U.

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