



3. Specific Risk Policies for the Various Group Businesses

14 March 2024

Adopted by the Board of Directors of Iberdrola Energía Internacional, S.A.U. on 14/03/2024.

The Board of Directors of Iberdrola Energía Internacional, S.A.U. adopts policies set out in this summary which are applicable thereto:

- Risk Policy for the Electricity Production and Customers Businesses of the Iberdrola Group adopted at a meeting on 14/03/2024.

Risk Policy for the Electricity Production and Customers Businesses of the Iberdrola Group

The *Risk Policy for the Electricity Production and Customers Businesses of the Iberdrola Group* provides the framework for the monitoring and management of risks associated with the electricity production and retail businesses of the Group's companies within applicable regulations and the general guidelines set out in the *General Risk Control and Management Policy* in the various countries and territories in which they operate, defining the activities affected thereby and establishing appropriate management guidelines in accordance with the structure of each market:

- a. Production of renewable, nuclear, cogeneration and conventional thermal energy.
- b. Wholesaling of energy (electricity and natural gas) and other energy products (emission rights, green certificates and similar).
- c. Supply of fuel (for combined cycle, cogeneration and nuclear power plants);
- d. Retail sale of electricity, gas and energy services, including long-term sales of electricity through power purchase agreements ("PPAs").
- e. Management of integrated position, based on the particular nature of each country and territory, using energy derivatives.
- f. Investments in new generation plants, as well as investments to acquire customers or investments dedicated to supplying customers with electricity.
- g. Production and supply of hydrogen.
- h. Implementation of industrial heating and cooling projects and facilities.
- i. Operation and maintenance of facilities, including the ecological and environmental management thereof.

Main production and sale activities by country:

- **Spain:** production and sale of renewable and nuclear energy and gas at combined cycle and cogeneration plants. Retail sale of electricity and natural gas.
- **Mexico:** production and sale of renewable energy and gas at combined cycle and cogeneration plants.
- **United Kingdom:** production and sale of renewable energy and retail sale of electricity and natural gas.
- **Brazil:** production and sale of renewable energy.
- **United States of America:** production and sale of renewable energy.
- **Other countries:** production and sale of renewable energy in Australia, Portugal, Germany, France and other European countries. Retail sale of electricity and natural gas in Portugal, Germany, Italy and France.

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Main risks managed:

- Market risk, mitigated by energy sales at regulated rates and to long-term fixed price customers (including long-term PPAs) and by hedges, as well as the risks associated with hydro, solar and wind resources and the availability of facilities.
- Credit risks associated with non-payment for energy by customers and by wholesale counterparties.
- Operational risks associated with the management of production plants and serving the millions of customers of the Group's companies.
- The regulatory risks under which businesses operate, associated with the various energy sources used to produce electricity in each country and territory.