

Iberdrola, the only Spanish company to obtain the international Fair Tax certificate

- *This certificate guarantees that companies pay taxes responsibly in all the countries where they operate*

Iberdrola has been awarded the *Fair Tax Mark*, an accreditation for companies that pay taxes responsibly around the world.

The Fair Tax Foundation is a non-profit organisation that promotes tax fairness and transparency in corporate tax practices. It seeks to encourage and recognise organisations that pay the right amount of corporate tax at the right time and in the right place. Some 250 different commercial companies currently hold this *Fair Tax Mark* accreditation, but none of them are Spanish.

Jaime Boswell, Director of Accreditation at the Fair Tax Foundation, said, "It's fantastic that Iberdrola is flying the flag for fair taxation as the first Fair Tax Mark accredited company in Spain. It's leading the way for others to follow. Its tax transparency report is really comprehensive. It contains information on the group's taxes in several jurisdictions, including its public country-by-country reporting, as well as significant cash tax contributions. It is exactly the level of detail we are looking for when awarding the Fair Tax Mark".

Contribution to the community where it works

Iberdrola has established itself as one of the companies that contributes the most to taxation in the countries where it operates. Its commitment to public administrations resulted in a historic contribution of almost 9,300 million euros. A total of 9,281 million euros were last year, 24% more than in 2022, according to the group's fiscal transparency report. This figure is equivalent to more than one million euros per hour.

Spain is the country in which the company contributes the most of all those in which it is present. It is now close to 3,500 million euros, which represents an increase of 35%.

The positive impact on society of the business electricity company chaired by Ignacio Galán is reflected both in its commitment to a sustainable model, which promotes the economy and employment, and in its fiscal contribution. In the last five years, the contribution to the public coffers of the more than 25 countries in which the electricity company operates has exceeded 40,000 million euros.

Iberdrola's historic contribution in 2023, considering only taxes affecting the income statement, was 44% of its profit before taxes and social security. The increase in Spain was mainly due to electricity taxes –like the 1.2% levy on sales and the tax for water used to produce power–. Apart from the significant increase in corporate income tax, other taxes practically doubled. In Spain, taxes and charges affecting the income statement, excluding corporate income tax, represent 123% of net operating expenses, a very striking figure compared to the same percentage in the rest of the world (22%).

Iberdrola's total contribution by country is led by Spain (3,482 million euros), followed by Brazil (2,530 million euros), the United States (1,261 million euros), the United Kingdom (1,119 million euros) and Mexico (310 million euros). The rest of countries contributed 579 million euros.