

SHAREHOLDER'S BULLETIN FIRST QUARTER 2022



**Iberdrola's net profit reached
€1,058 million in the first quarter,
3% higher than in 2021**



Chairman's key points



Ignacio Galán
Chairman & CEO of Iberdrola

“ The current crisis in the energy market demonstrates the need to accelerate energy transition to achieve energy autonomy in Europe and decarbonise our economy. This requires solutions based on the European framework and a continuous dialogue between stakeholders and administrations. ”



Sustainable shareholder remuneration in 2022

4.3% higher than in 2021

The current 2020-2025 Plan sets a floor for shareholder remuneration of €0.40 per share for the years 2020 to 2022.

In this regard, and as proof of the company's commitment to shareholders, at the next General Shareholders' Meeting the Board of Iberdrola will propose a new version of the "Iberdrola Flexible Remuneration" programme with an **increase of 4.3%** over that paid the previous year (+5.5% compared to the established floor), thus bringing shareholder remuneration to €0.44 gross per share in 2022.

Thus, subject to approval by the General Shareholders' Meeting, the interim dividend paid in February (€0.170 gross per share) will be supplemented in **July 2022 by a final dividend of €0.270 gross** per share.

The remuneration will be paid through the "Iberdrola Flexible Remuneration" system, which allows Iberdrola shareholders to choose between the following options for the payment of the dividend (or combine them, with the value of the remuneration to be received being equivalent to):

- receiving their remuneration through the delivery of new fully paid-up shares;
- transferring all or part of its free allocation rights on the market;
- receiving their remuneration in cash through payment of the Complementary Dividend.

The Iberdrola Flexible Remuneration calendar

29 and 30 June and 1, 4 and 5 July 2022

- Days that count for the determination of the number of free allocation rights necessary to receive one share and the amount of the gross Complementary Dividend per share.

6 July 2022

- Communication of the number of free allocation rights needed to receive one share and the amount of the gross Complementary Dividend per share.

7 July 2022

- Last day on which Iberdrola shares are traded with the right to participate in the "Iberdrola Flexible Remuneration" system.

8 July 2022

- Start of the Common Choice Period and the trading period for free allocation rights. Ex-dividend date.

21 July 2022

- End of the Common Choice Period and the trading period for free allocation rights.

2 August 2022

- Payment of the Complementary Dividend to shareholders who have elected to receive cash through this option.

3 August 2022

- Expected commencement of trading of the new shares.



Highlights of the period

EBITDA increased to €2,951 million. (+5%)

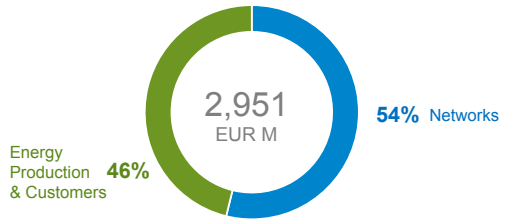
EBITDA increased by 4.9% to €2,950.9 million, driven by growth in Networks while the activities of Power Generation and Customers were negatively affected by high prices in Spain and the UK.

By businesses, Ebitda in the **Networks business** increased by 20.9% to €1,587.4 million, improving in all geographic areas, due to the larger asset base and the increase in income driven by tariff reviews, mainly in the United States and Brazil. In Spain, it decreased slightly (-3.7%), affected by positive reassessments from previous years recorded in 2021.

Meanwhile, the EBITDA of the **Electricity Production and Customers business** fell by 6.8% to €1,360.2 million, mainly due to lower renewable output, the unscheduled shutdown of the Cofrentes nuclear power plant in Spain and higher market prices not passed on to customers.

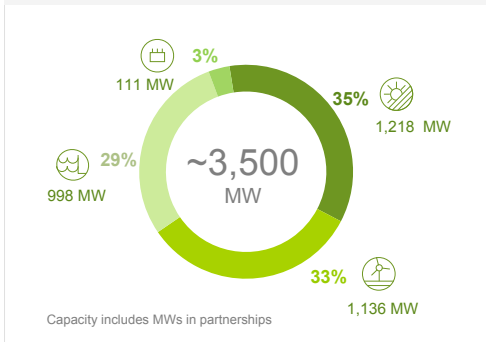
This was partly offset by the contribution of the 3,500 MW from new renewable sources installed over the last 12 months with a considerable increase in installed capacity in Brazil (up 15% following the commissioning of the Chafariz complex) and in the rest of the world (where capacity increased by 30% year on year).

BREAKDOWN BY BUSINESS



Accelerating investment and increasing renewable capacity

NEW INSTALLED CAPACITY BY TECHNOLOGY (Y-o-Y)



Gross investments continued to accelerate, reaching €2,116.1 million, of which more than 90% was allocated to Networks and Renewables and increasing in all geographies.

Therefore, by businesses, investments in Networks accounted for 38% of the total, with growth mainly from Brazil and Spain. The Renewables business contributed more than half of the total investment, driven mainly by the United Kingdom, where investment tripled.

In the last twelve months, it reached €10,000 million.

Investments that will continue to grow as Iberdrola has a high quality portfolio of 90GW

in renewables, mainly in areas with increasing climate ambition such as the United States, the United Kingdom and the European Union.



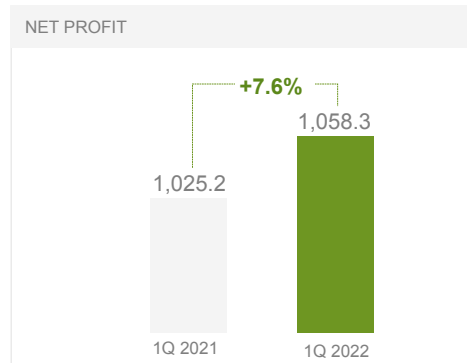
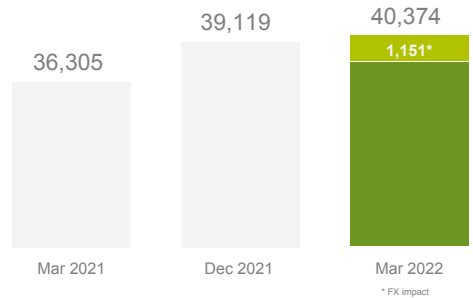
Solid financial position

Iberdrola maintains a solid financial position, a hallmark of the company, despite the increase in net debt mainly due to new investments and the evolution of the exchange rate (€1,151 million). In this way, adjusted net debt reached €40,374 million.

Adjusted net leverage improved 1 by p.p. to 40.9% compared to 41.9% in March 2021.

In line with the policy of minimising financial risks, the Group continues to mitigate currency risk by financing international businesses in local currency (sterling, reais, dollars) or functional currency (dollars in the case of Mexico). Interest rate risk is mitigated by issuing fixed rate debt, derivatives and hedges of future financing. Of note was the ESG €2,224 million, consolidating global leadership in green bonds issued.

ADJUSTED NET DEBT¹ (EUR M)



Net profit increased by 3.2%.

Iberdrola's net profit for the first quarter of 2022 increased by 3.2% compared to the same quarter of the previous year reaching €1,058.3 million.

Affected by the tax item of €311.5 million with an increase of 10.3%.

It should be noted that an improvement in operations is expected in the coming quarters.



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Outlook to 2022

The results of the first quarter, as well as the expected evolution for the following quarters, allow us to **reaffirm** our outlook for net profit for 2022 in the range of **€4,000 million to €4,200 million**.

Wind, hydroelectric and nuclear output, which have been abnormally low, are expected to recover in the coming quarters. As well as renewable production in the UK.

In addition, the contribution of 3,800 MW of capacity and €4,000 million of investments in Networks will contribute to the results, mainly in the United States and Brazil.

Our outlook also includes the impact of regulatory measures and judicial decisions, as well as a positive impact of the exchange rate, mainly due to the expected evolution of the US dollar and the Brazilian real.





Long-term outlook

The acceleration of structural trends, such as the technological development of clean energy or the need to combine decarbonisation and energy self-sufficiency, together with the short-term challenges arising from the geopolitical situation, reaffirm the urgency of transition to a more electrified and self-sufficient energy system.

Iberdrola has the technologies that make this possible, for the massive deployment of renewable energies, electricity grids and energy storage systems in combination with green hydrogen for energy uses that are difficult to electrify in some industrial sectors and in heavy transport.

And thus achieve less dependence on energy from abroad and lower energy costs, greater energy security, as this strategy is based on unlimited and local energy sources and, therefore, an acceleration in decarbonisation.

Iberdrola is thus prepared to continue to grow in the following manner:

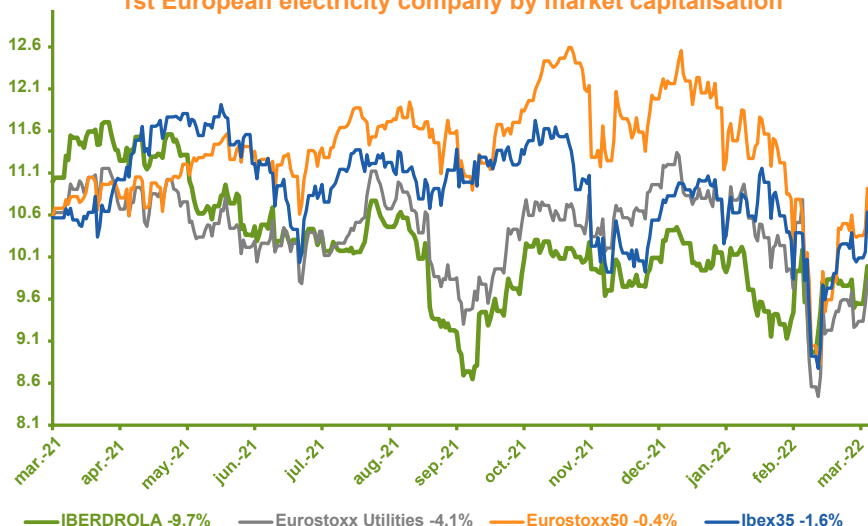
 <p>Growth in Networks</p>	 <p>Growth in Renewables</p>	 <p>Geographical diversification</p>	 <p>A solid Financial Profile</p>
<ul style="list-style-type: none"> • Networks infrastructures will represent ~ 50% of our forecasted investment from 2022 to 2025 • New Rate Cases in Networks • Regulatory returns adjusted with inflation 	<ul style="list-style-type: none"> • Pipeline allows for selective growth: <ul style="list-style-type: none"> • Leadership in offshore wind • Countries with stable frameworks and diverse routes-to-market. • Increasing installed capacity to optimize balance of production vs customers 	<ul style="list-style-type: none"> • Current and new A-rated countries • Areas with ambitious climate targets and stable policy frameworks <ul style="list-style-type: none"> • >50% of operating results in Americas • Less than a third in Spain • Growing contribution of Europe and others 	<ul style="list-style-type: none"> • Maintaining strong Rating • No need of capital increases • Partnerships and asset rotation providing additional optionality
<p>ALLIGNMENT WITH ENERGY POLICY TARGETS: SELF-SUFFICIENCY & DECARBONIZATION</p>		<p>REAFFIRMING LEADERSHIP ON ESG</p>	

MAINTAINING OUR 2025 OUTLOOK



IBERDROLA and the stock market

31 March:
1st company on the IBEX 35 and
1st European electricity company by market capitalisation



IBERDROLA share price

	1Q 2022	1Q 2021
Number of shares outstanding	6,437,563,000	6,418,156,000
Share price at close of period	9.920	10.985
Average share price for the period	9.743	11.100
Average daily trading volume	16,397,638	14,360,723
Maximum trading volume (21-01-2022 / 19-03-2021)	43,303,025	48,728,175
Minimum trading volume (25-03-2022 - 11-02-2021)	6,556,492	6,748,373
Dividends paid (€) ⁽¹⁾	0.170	0.168
Gross interim (02-02-2022/08-02-2021)	0.170	0.168
Dividend yield ⁽²⁾⁽³⁾	4.27%	3.60%

(1) Dividends paid in the last 12 months.

(2) Iberdrola-guaranteed rights purchase price.

(3) Dividends paid in last 12 months and attendance premium/ share price at the close of the period.

Securities Market Data

		Mar. 2022	Mar. 2021
Market capitalisation	€B	63,860.6	70,503.4
Earnings per share (6,437,563,000 shares to 31/03/2022 and 6,418,156,000 shares to 31/03/2021)	€	0.158	0.154
Net operating cash flow per share	€	0.47	0.36
P.E.R.	Times	16.88	21.47



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