

CAPITAL MARKETS & ESG DAY

9 November 2022



DISCLAIMER

This document has been prepared by Iberdrola, S.A. exclusively for use during the presentation “Capital Markets & ESG Day” on November 9, 2022. As a consequence thereof, this document may not be disclosed or published, nor used by any other person or entity, for any other reason without the express and prior written consent of Iberdrola, S.A.

Iberdrola, S.A. does not assume liability for this document if it is used with a purpose other than the above.

The information and any opinions or statements made in this document have not been verified by independent third parties; therefore, no express or implied warranty is made as to the impartiality, accuracy, completeness or correctness of the information or the opinions or statements expressed herein.

Neither Iberdrola, S.A. nor its subsidiaries or other companies of the Iberdrola group or its affiliates assume liability of any kind, whether for negligence or any other reason, for any damage or loss arising from any use of this document or its contents.

Neither this document nor any part of it constitutes a contract, nor may it be used for incorporation into or construction of any contract or agreement.

Information in this document about the price at which securities issued by Iberdrola, S.A. have been bought or sold in the past or about the yield on securities issued by Iberdrola, S.A. cannot be relied upon as a guide to future performance.

IMPORTANT INFORMATION

This document does not constitute an offer or invitation to purchase or subscribe shares, in accordance with the provisions of (i) the restated text of the Securities Market Law approved by Royal Legislative Decree 4/2015, of 23 October; (ii) 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; (iii) Royal Decree-Law 5/2005, of 11 March; (iv) Royal Decree 1310/2005, of 4 November; and (v) their implementing regulations.

In addition, this document does not constitute an offer of purchase, sale or exchange, nor a request for an offer of purchase, sale or exchange of securities, nor a request for any vote or approval in any other jurisdiction.

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 of 1933 or pursuant to a valid exemption from registration. The shares of Iberdrola, S.A. may not be offered or sold in Brazil except under the registration of Iberdrola, S.A. as a foreign issuer of listed securities, and a registration of a public offering of depositary receipts of its shares, pursuant to the Capital Markets Act of 1976 (Federal Law No. 6,385 of December 7, 1976, as further amended), or pursuant to a valid exemption from registration of the offering.

This document and the information presented herein was prepared by Iberdrola, S.A. solely with respect to the presentation “Capital Markets & ESG Day” on November 9, 2022. The financial information contained in this document has been prepared and is presented in accordance with the International Financial Reporting Standards (“IFRS”).

In addition to the financial information prepared under IFRS, this presentation includes certain alternative performance measures (“APMs”), for the purposes of Commission Delegated Regulation (EU) 2019/979, of March 14, 2019 and as defined in the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415es). The APMs are performance measures that have been calculated using the financial information from Iberdrola, S.A. and the companies within its group, but that are not defined or detailed in the applicable financial information framework. These APMs are being used to allow for a better understanding of the financial performance of Iberdrola, S.A. but should be considered only as additional information and in no case as a substitute of the financial information prepared under IFRS. Moreover, the way Iberdrola, S.A. defines and calculates these APMs may differ from the way these are calculated by other companies that use similar measures, and therefore they may not be comparable. Finally, please consider that certain of the APMs used in this presentation have not been audited. Please refer to this presentation and to the corporate website (www.iberdrola.com) for further details of these matters, including their definition or a reconciliation between any applicable management indicators and the financial data presented in the consolidated financial statements prepared under IFRS.

This document does not contain, and the information presented herein does not constitute, an earnings release or statement of earnings of Avangrid, Inc. (“Avangrid”) or Avangrid's financial results. Neither Avangrid nor its subsidiaries assume responsibility for the information presented herein, which was not prepared and is not presented in accordance with United States Generally Accepted Accounting Principles (“U.S. GAAP”), which differs from IFRS in a number of significant respects. IFRS financial results are not indicative of U.S. GAAP financial results and should not be used as an alternative to, or a basis for anticipating or estimating, Avangrid's financial results. For financial information regarding Avangrid, please visit its investor relations website at www.avangrid.com and the Securities and Exchange Commission (“SEC”) website at www.sec.gov.

This document does not contain, and the information presented herein does not constitute, an earnings release or statement of earnings of Neoenergia S.A. (“Neoenergia”) or Neoenergia's financial results. Neither Neoenergia nor its subsidiaries assume responsibility for the information presented herein. For financial and ESG information regarding Neoenergia, please see the Neoenergia's investor relations website at www.ri.neoenergia.com and the Brazilian Comissão de Valores Mobiliários (“CVM”) website at www.cvm.gov.br.

FORWARD-LOOKING STATEMENTS

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. shares 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 documents sent by Iberdrola, S.A. to the Spanish Comisión Nacional del Mercado de Valores, which are accessible to the public.

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 subsequent oral or written forward-looking statements attributable to Iberdrola, S.A. or any of its members, directors, officers, employees or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statement above. All 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.

This document also contains pro forma statements, estimates, projections and other forward looking statements as to the financial and operational data of the Iberdrola group on a combined basis, including the impact of anticipated investments and capital expenditures, Avangrid’s pending acquisition of PNM Resources Inc., as well as other potential unidentified acquisitions and transactions. In addition to the other statements made herein by way of disclaimer as to any estimates, projections and forward-looking statements, including as to the sources and exercises whereupon they are based, the reader is informed that Iberdrola, S.A. has not used or relied on any non-publicly disclosed information received by Iberdrola, S.A. or Avangrid from PNM Resources Inc. and the reader is further reminded that the merger and acquisition of PNM Resources Inc. by Avangrid is subject to regulatory approval from the New Mexico Public Regulation Commission and other customary conditions and there is no certainty that the merger will be consummated in its established terms and foreseen timetable or that it will be consummated at all.

Leadership in Governance and Compliance

Dolores Herrera
Chief Compliance Officer



Governance

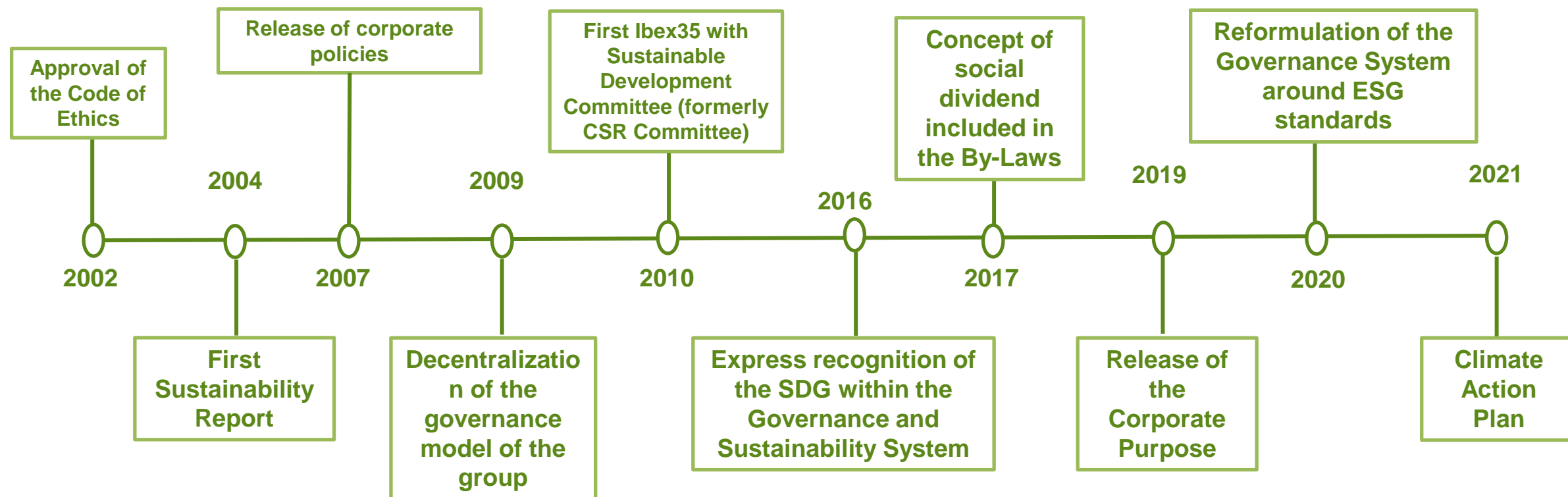


Governance and Sustainability System

Subject to continuous **evolution and improvement** to fit the strategic context, applicable law and best practices.

Committed to ESG

Several awards and recognitions received (see Exhibits I and II)

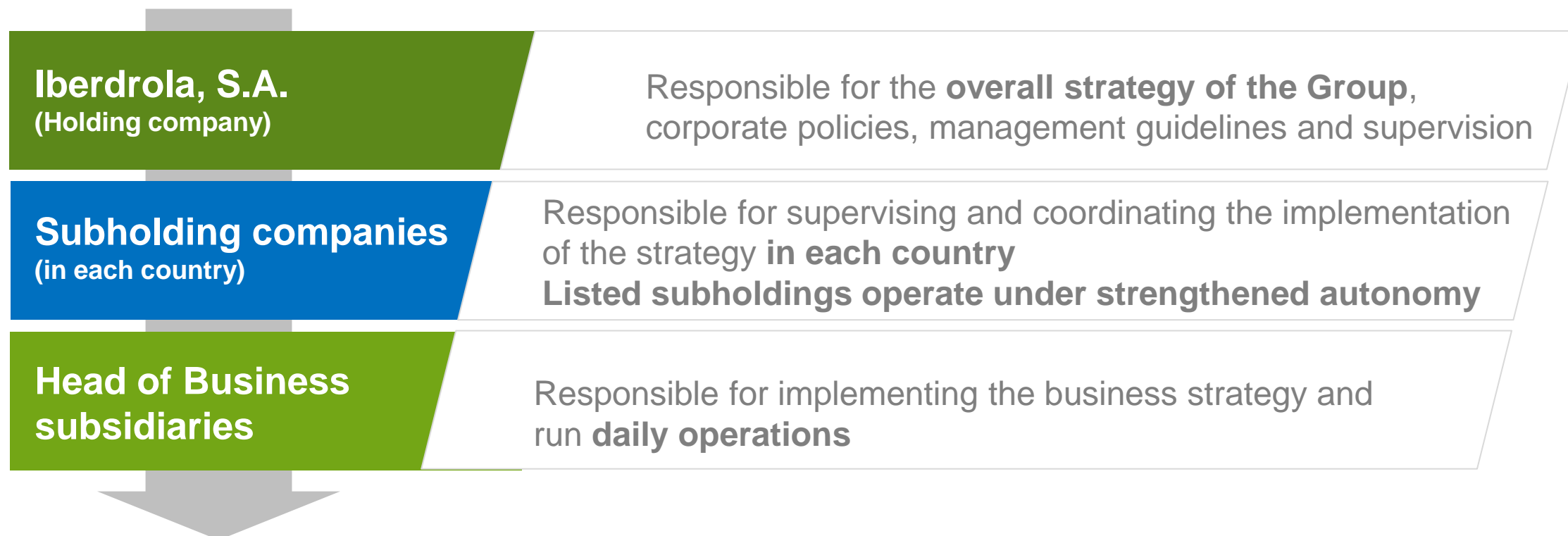


Based on our engagement with shareholders and other stakeholders, our internal rules and practices are in a continuous evolution positioning the Company at the forefront of the ESG trends

Decentralized Governance Model (see Exhibit III)

Iberdrola governance model is efficiently organized and coordinated seeking a balance between decentralized management and exploitation of synergies

Management and decision-making power are never centralized in a single governance body, but decentralized and shared by the subsidiaries of the group as follows:



Subholding companies and Head of business companies operate independently with full respect to their corporate autonomy

Strong level of independence along with diversity of gender, skills, and nationality



Committees play a fundamental role going beyond legal requirements and ensuring checks and balances

Separation of Executive Chair and CEO roles

71% independent members, including 2 Vice Chairs and a Lead independent director

43% gender diversity, meeting the target set by the Corporate Governance Code

Continuous Board refreshment, ensuring the presence of different perspectives

Core skills strongly represented on the Board, including industry, finance, and management expertise. Continuous training

Five nationalities represented

External evaluation of the governing bodies and corporate structure

Only independent and external directors in the Committees of the Board. All chaired by independent

Board of Directors and Committees in subholding companies

All subholding companies have:

Board of Directors with external and independent directors and an Audit and Compliance Committee

Internal Audit division and Compliance division as independent divisions reporting and bound to the Audit and Compliance Committee.

Listed subholding companies: special framework of strengthened autonomy

High rate of independent directors (over their national legal requirements for controlled companies).

With their own Governance and Sustainability System (consistent with Iberdrola's one and committed to ESG standards).

Special committee (with no presence of proprietary directors) to approve related-party transactions with Iberdrola.

With the same committee's structure: (i) Audit and Compliance, (ii) Remuneration and Appointments and (iii) Sustainability.

Compliance



Organization and structure

Iberdrola's Compliance function is an independent function integrated in the Governance and Sustainability System Compliance started with the approval of the Code of Conduct by the Board of Directors (2002)

Compliance function's main objectives are:

- Promote that the company and all its professionals act in accordance with applicable law and ethical principles
- Prevent and mitigate the risk of improper or irregular behaviour not according to the law or the Governance and Sustainability System

The Compliance Unit:

- Incorporated by the Board of Directors of Iberdrola, S.A.
- Permanent internal body
- Bound and reporting to the Sustainable Development Committee of the Board of Directors
- With independence of action and sole responsibility in compliance matters
- With its own staff and budget

Compliance Divisions:

- Each subholding company and head of business subsidiary has its own independent compliance division
- Bound and reporting to the Audit and Compliance Committee (should it exist) or to the Board of Directors of the relevant entity
- Assuming its own responsibility in relation with any compliance matter in such entity
- Compliance Unit/Compliance divisions relationships are regulated under a "*Coordination and information Protocol*"

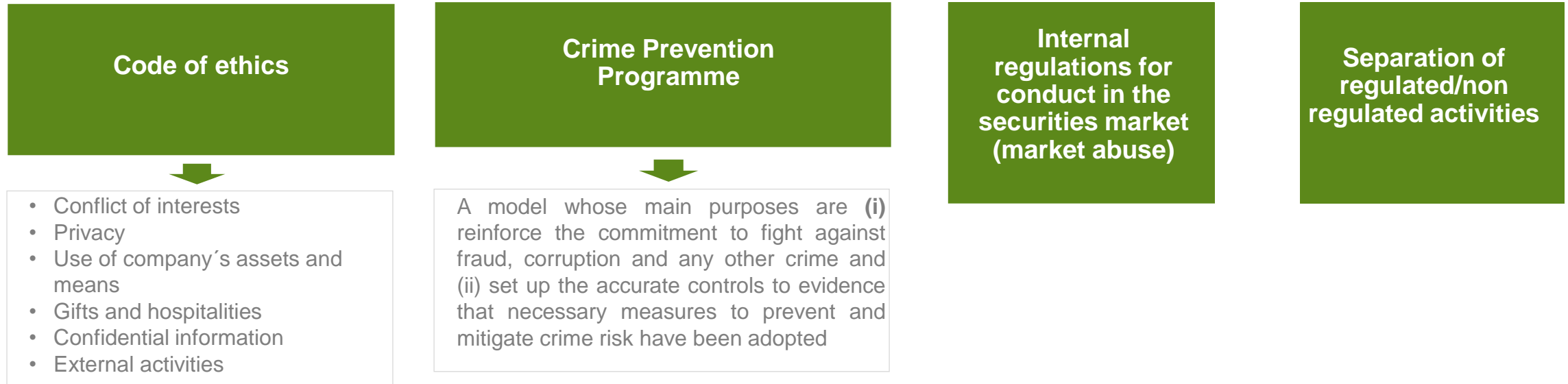
**Global Budget and
Resources 2021**

€9.3M function budget

52 FTEs

Scope of Compliance function's direct Responsibility

Scope of responsibility set forth by the Board of Directors:



Elements of the compliance system



1. Compliance risk assessment. Risk map

- **Corporate and business managers are involved** in the process working together with compliance staff. Regular update
- **Common methodology and risk denomination** for all the group companies: “*Compliance risk assessment guide*”.
- **Compliance risk map elaborated in each entity** with the aim of identifying the areas or departments subject to each of the compliance risks
- **Most relevant categories** of risk:
 - Fraud and corruption
 - International sanctions
 - Competition law
 - Market abuse in the securities markets
 - Intellectual property. Business secrets
 - Labour matters
 - Consumer protection
 - Separation of business legal requirements
 - Article 31.bis of Spanish Criminal Code

2. Internal regulations & Risk management

Approved by the Board of Directors

- Code of Ethics
- Crime Prevention Policy
- Anti-corruption and anti-fraud Policy
- Internal Regulations for conduct in the Securities Markets (Iberdrola, S.A.)
- Internal regulations for the management of Inside Information (Iberdrola, S.A.)

Other Regulations

- Approved by the Compliance Unit or the relevant Compliance division
- Protocols and guidelines related to:
 - Third Parties risk
 - Sponsorships
 - Corporate transactions
 - Competition
 - Gifts and hospitalities

2. Internal regulations & Risk management

THIRD PARTIES

- Suppliers and debtors are assessed on fraud and corruption risk:
 - ✓ 82,626 third-parties monitored on a daily basis on compliance data bases
 - ✓ 3,801 third-party specific due diligences carried out in 2021
- Investment and divestment projects (111 in 2021): fraud and corruption risk evaluated and assessed
- Sustainability & development of suppliers (in cooperation with Purchasing Department): 1,541 selected suppliers have a robust compliance system in place
- Strengthened control measures are applied to certain “Restricted countries”

PROFFESIONALS

- Background checks: 236 management team background checks carried out in 2021
- Conflict of interest: 2,870 communications; in 31 cases specific preventive measures were recommended
- Gifts and hospitalities: 233 consultations

3. Training & communication

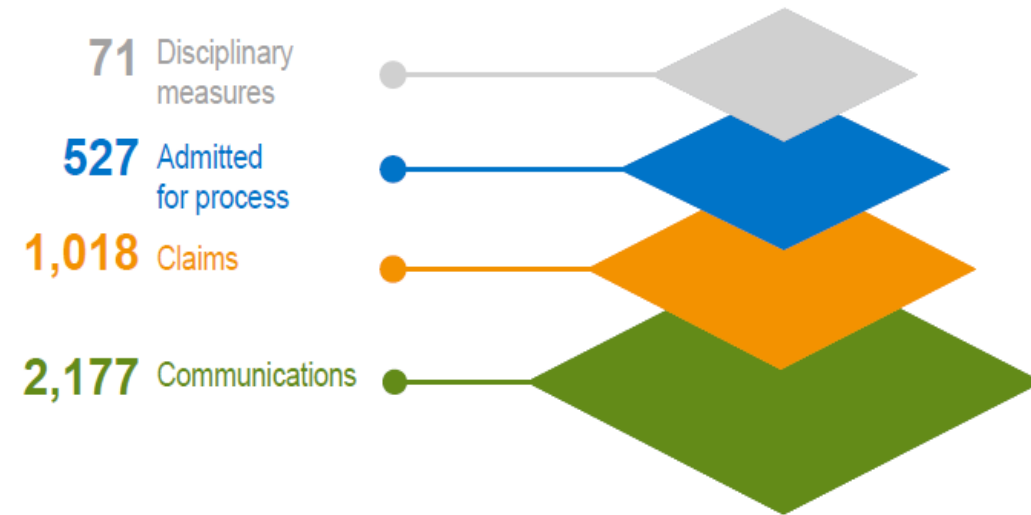
Essential pillars of compliance function in order to make professionals aware of internal regulations and how to behave in all their activities and tasks



4. Monitoring and review

ETHICAL MAILBOX

- **Whistleblowing channels** (anonymous) are available to the professionals, suppliers and shareholders
- All communications received through the enabled channels are treated as **strictly confidential**
- Express **undertaking not to engage in any direct or indirect retaliation** against persons who have used the whistleblowing channels



SYSTEM REVIEW

- Compliance system of Iberdrola, S.A. and the *subholding* companies is **internally and externally audited** every year
- Most relevant **recognitions and awards** have been granted to Iberdrola Compliance system (see Exhibit IV)

Exhibits



Exhibit I. Iberdrola's governance awards

- **2022 World's Most Ethical Companies ranking** issued by *Ethisphere Institute*: has been qualified as **one of the most ethical companies in the world** (9th consecutive year).
- **2021 Bloomberg Gender-Equality Index** in recognition of its equal opportunity and gender equality policies (4th year in a row).
- **World Finance magazine**: recognized with the **Best Corporate Governance in Spain** (7th consecutive year).
- **Ethical Boardroom**: 2019 Award for Best Corporate Governance.
- **Capital Magazine**: *Shareholder Engagement Policy* awarded as **the best initiative in transparency**.
- The only European energy company included in the 21 editions of the **Dow Jones Sustainability Index (DJSI)**.
- **Transparency Report on the Tax Accountability of Ibex-35 Companies** (Fundación Compromiso y Transparencia): leading company in terms of tax transparency, among all companies on the Ibex 35.
- **Good Governance and Stockholders Forum**: the **Best Shareholder Approach Initiative** among all Spanish listed companies.

Exhibit II. Avangrid and Neoenergía's governance awards

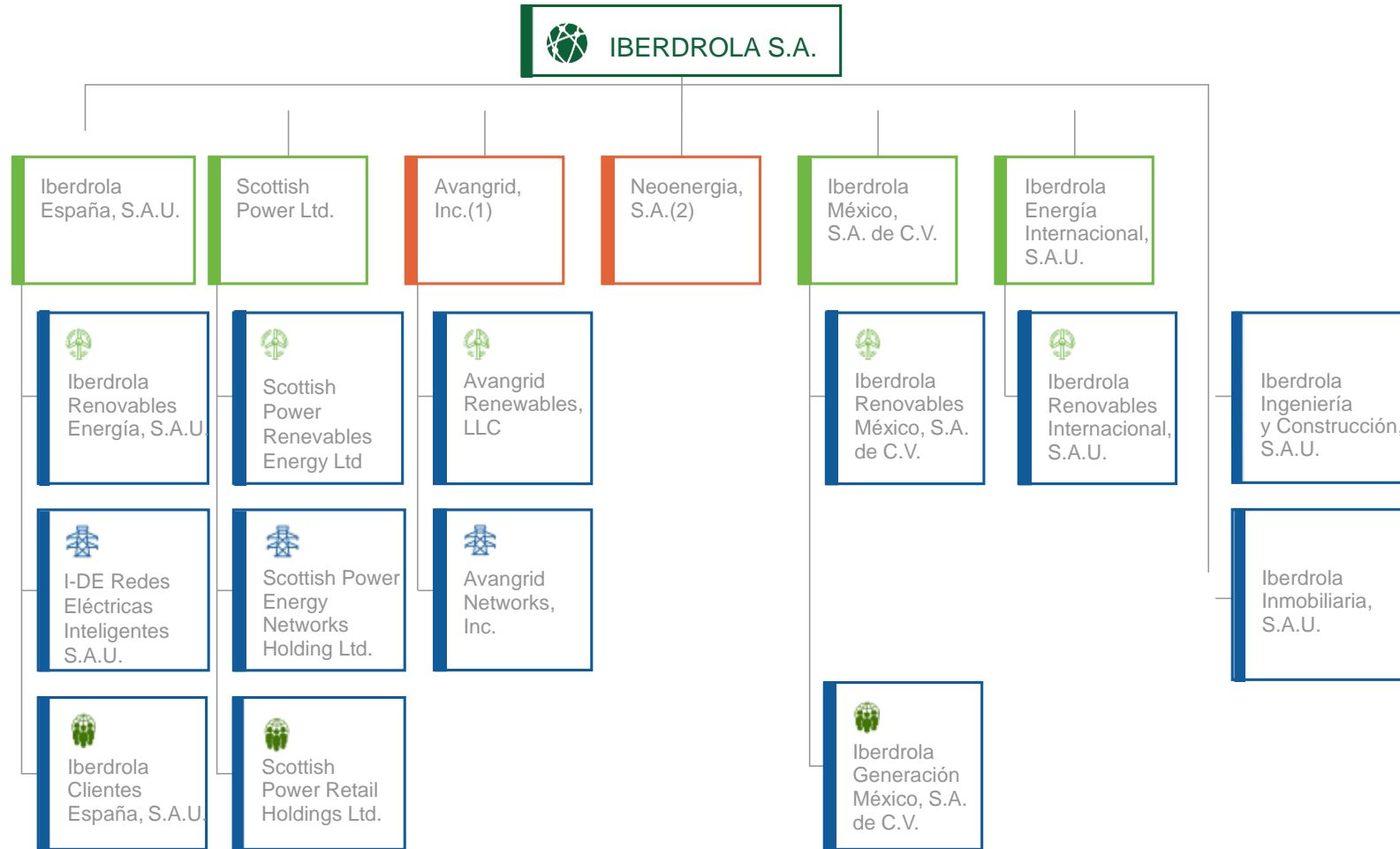
AVANGRID

- **2022 World's Most Ethical Companies list** issued by *Ethisphere Institute* (4th consecutive year)
- **Forbes and Just Capital:** one of America's Most Just Companies (Just 100) in both 2022 and 2021
- Listed in top 100 on **JUST Capital's 2022 Workforce Equity and Mobility Ranking**
- **World Finance Magazine:** Named the **Most Sustainable Company in the Energy Industry in the United States for 2022**
- **Constituent of the FTSE4 Good Index Series**
- Listed on the S&P Global Clean Energy Index and selected as one of 75 global beneficiaries of the low-carbon transition with long-term growth potential & a sustainable approach
- Short listed in **"Best compliance and ethics program"** and **"Best ESG reporting (small to mid-cap)"** in the **2022 Corporate Secretary Corporate Governance Awards**

NEOENERGÍA

- **CONAREC Award 2022** (National Congress on Business- Customer Relations) within the category companies and utilities.
- **Transparency Awards 2022**, granted by National Association of Finance, Administration and Accounting Managers (ANEFAC) (2nd consecutive year)
- Included in the **Sustainability Yearbook 2022** by S&P Global (2nd consecutive year)

Exhibit III. Structure chart



- Holding company
- Subholding companies
- Head of business subsidiaries
- Listed subholding companies

¹ Avangrid, Inc.: 81,50% owned by Iberdrola, S.A.

² Neoenergia, S.A.: 50% +1 share indirectly owned by Iberdrola, S.A.

Exhibit IV. Compliance system recognitions and awards

ISO 37011
Anti-bribery

UNE 19601
Crime
Prevention
Program

World's Most
Ethical
Companies
List (9 years)

Compliance
Leader
Verification



International
Transparency

IBEX-35 highest rated company in the "Index of Corporate Transparency in Integrity, Compliance and Human Rights"

Expansion
Awards

2018: awarded "Company with best Compliance practices 2018-2019"
2019: finalist " Ethical initiative" and "Innovation"
2021: finalist "Best use of disruptive technologies in Compliance"