Iberdrola to invest record €47bn in the energy transition in 2023-2025; increases 2025 EBITDA and Net Profit outlook

- **Growth based on investments in electricity networks and a selective approach to renewables**
- **Improving earnings quality and protecting balance sheet strength through geographical diversification and a prudent financial model**

Ignacio Galan, Iberdrola Executive Chairman, said:

"If we are to learn one lesson from the current crisis, it is the compelling need to deliver electrification quickly for a more secure, clean and competitive energy system.

The record global investment plans we have set out today will help us to bring more self-sufficiency and resilience against potential energy shocks in the countries where we operate, by reducing their dependency on oil and gas and by continuing their path to Net Zero.

"We are building on a strong track record of delivery across more than two decades, and our plans ensure that Iberdrola will remain at the centre of delivering the enhanced grid networks and the renewables that the energy transition needs globally.

"Our long-term strategy is proving more appropriate than ever in the current scenario. By following our sustainable growth model, we are improving our financial solidity and increasing our 2025 outlook for EBITDA and Net Profit, as well as maintaining our long-term prospects to 2030. This strategy will enable us to deliver more value for our shareholders and the communities we serve.

"In difficult economic times, our plan will also be a catalyst for job creation. We will recruit around 12,000 people in the next three years, and by 2030 we anticipate that our activities will support more than 500,000 jobs globally across our supply chain."

- **Highlights:**
    - Record investment plan of €47bn to 2025, driven by organic investments in all markets and PNM Resources transaction.
    - Strong financial ratios during the plan are comfortably within thresholds for current ratings, thanks to a model based on fixed-rate financing, long-term maturity profiles, active liquidity management and optimization of green financing, with no capital increases expected and supported by asset rotation.

- €27bn (57%) of investment in electricity networks to increase asset base reaching €56bn by 2025 – providing predictable frameworks and protection from macroeconomic uncertainties.
- €17bn of investment in renewables to deliver 52GW of renewable installed capacity by 2025 – based on projects with the best risk/reward profile and a high-quality pipeline.
- More than 80% of investments allocated to A-rated countries with stable regulatory frameworks and ambitious electrification targets: improving geographical diversification through additional focus on countries like Germany, France and Australia.
- EBITDA reaching €16.5-17bn by 2025 (8-9% CAGR), with net profit increasing to €5.2-5.4bn (8-10% CAGR).
- Dividend to grow in line with net profit (65-75% pay-out) to between €0.55-0.58 in 2025, with a floor of €0.46 in 2023-24 and €0.50 in 2025.
- The company reaffirms its ESG credentials:
    - Targets to become carbon neutral by 2030 in scopes 1 and 2 and reaching Net Zero in all 3 scopes by 2040
    - 12,000 new hires to 2025, supporting more than 500,000 jobs by 2030 along its value chain.
- Reaffirming 2030 outlook driven by growth in all markets and acceleration of electrification: investments of €65-75bn in 2026-30 to exceed 100 GW of capacity and €65bn of networks assets.