CAPITAL MARKETS & ESG DAY
9 November 2022
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.

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/2015/1415s). 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.rri.neoenenergia.com and the Brazilian Comissao de Valores Mobiliarios (“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.
Financial Management

José Sainz Armada
Chief Financial Officer
Macro hypothesis for 2023-2025

NEW MACRO SCENARIO DRIVING HYPOTHESIS FOR THE PLAN

**Inflation**
- Inflation peaking in 2022 / 2023 with a gradual convergence to Central Bank’s targets in 2024 onwards

**Interest Rates**
- Short-term rates continue to increase in 2023 to later move down towards neutral levels to support growth recovery
- Long-term rates below short-term in 2023 due to recession risk
- Brazil in a more advance stage of the economic cycle versus developed economies, expected to cut rates in 2023

**Commodities**
- Rise in gas and energy prices driven by Ukrainian crisis. Energy markets affected by high volatility, and regulatory intervention

**Economic Growth**
- Slowdown in 2023 affected by geopolitical uncertainty and high inflation with a recovery to potential growth from 2025 onwards

**FX**
- USD remains strong acting as a haven asset
- GBP affected by political instability and low growth
- BRL supported by good macro data

ANNEX CONTAINS THE MACRO HYPOTHESIS ON WHICH THIS PLAN IS BASED
**Financial Model and strategy**

**REAFFIRMING IBERDROLA FINANCIAL STRATEGY, ESG + F AS THE FOUNDATION**

- High level of liquidity with highly diversified sources of funds
- Access to traditional EUR and other markets
- Maximizing multilateral and development banks financing
- ~90% investment aligned with EU taxonomy

- High single digit growth in EBITDA and Net Profit
- Dividend growing in line with results (Pay-out between 65% and 75% of EPS)

- Maintaining financial strength
- Credit ratios to comfortably support a BBB+/Baa1 rating
- Flexibility to further reinforce the balance sheet through partnerships and asset rotation
Outlook 2022-2025: from CMD 2020 to CMD 2022

A COMPLEX AND UNCERTAIN SCENARIO DRIVES A MORE PRUDENT APPROACH TO PRESERVE THE BALANCE SHEET WHILE DELIVERING SUSTAINABLE LONG-TERM GROWTH

From CMD – Nov. 2020…

<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale prices</td>
<td>Spain: affected by cap in 23-24 and in 25 assumes similar levels (~70 €/MWh)</td>
</tr>
<tr>
<td>FX</td>
<td>+14.9% USD, +1.3% GBP, +15.6% BRL appreciation vs. EUR</td>
</tr>
<tr>
<td>Interest Rates*</td>
<td>+200 bp US Treasury, +210 bp EUR Mid Swap rates increase, &gt;250 bp GBP &amp; +470 bp BRL CDI. Average cost of debt vs 2020 +1.53%</td>
</tr>
<tr>
<td>CAPEX</td>
<td>Similar amount, more focus on Networks and selective in Renewables</td>
</tr>
<tr>
<td>Financial Model</td>
<td>Asset rotation &amp; Partnerships: capital recycling sharing financial risk Reducing hybrids target from EUR 10 Bn to current EUR 8.25 Bn</td>
</tr>
</tbody>
</table>

(*) 75% fixed debt at Y/E 2022e

ANNEX CONTAINS A MORE DETAILED COMPARISON TO CMD 2020
Sources and uses of funds

FUNDING PLAN NEEDS LIMITING ADDITIONAL DEBT TO 21% OF TOTAL SOURCES THANKS TO FFO GROWTH, COVERING 64% OF NEEDS

FFO 2023-2025E EVOLUTION (EUR BN)

SOURCES & USES OF FUNDS 2023-2025E

SOURCES EUR 58.3 BN

- 21% Additional debt
- 8% Partnerships*
- 7% Asset rotation

USES EUR 58.3 BN

- 81% Shareholder remuneration & minority interest
- 19% Investments
- 62% organic

(*) Non controlling partners with minority interest. Includes TEI EUR 1.4 Bn
(**) Included EUR 1.6 Bn cash management
Returns

INTEGRATED MODEL WITH AN INVESTMENT CRITERIA...

EXPECTED AVERAGE RETURN

KEY DRIVERS

- Geography
- Regulated schemes
- Technology
- Route to Market

SPREAD TO WACC

average >150 bps

2025E WACC & ROCE

>6.5%

... CREATING VALUE FOR OUR SHAREHOLDERS WITH 2025 ROCE ABOVE WACC AND SIMILAR TO PREVIOUS PLAN
Net Debt evolution

LOW DEBT INCREASE FROM 2023 ONWARDS AFTER PNM ACQUISITION DRIVEN BY A MODERATE CAPEX INCREASE AND CASH GENERATION

NET DEBT 2022 – 2025E (EUR BN)

- Net Debt 2022e: ~45
  - ~11
  - 9.3 PNM acquisition: 55.5
  - 46.1
  - PNM: 57.5
  - 47.4

Assets under construction
Inflation and interest rates in our business

PRUDENT FINANCIAL STRUCTURE WITH 75% AVERAGE OF GROUP’S 2023-2025E DEBT AT FIXED RATE, HIGHER THAN 55% FIXED EBITDA STRUCTURE …

EBITDA STRUCTURE 2023-2025E

- 55% Fixed EBITDA
- 90% Fixed EBITDA
- 60% Fixed EBITDA
- 0% Fixed EBITDA

DEBT STRUCTURE* 2023-2025E

- 76% Fixed interest rate
- 93% Fixed interest rate
- 80% Fixed interest rate
- 0% Fixed interest rate

(* Net debt with forward-start swaps
(**) Business highly indexed to inflation and interest cost

… IBERDROLA FINANCIAL PROFILE WELL POSITIONED IN CURRENT MARKET ENVIRONMENT
Cost of Debt

Cost of Net Debt at 2025 will be around 4.3% (3.7% W/O Brazil) supported by our fixed debt levels.

Gross Debt Financial Cost by Currencies (%)

<table>
<thead>
<tr>
<th>Currency</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td>€</td>
<td>1.6%</td>
<td>2.2%</td>
</tr>
<tr>
<td>£</td>
<td>3.0%</td>
<td>3.6%</td>
</tr>
<tr>
<td>$</td>
<td>3.9%</td>
<td>4.4%</td>
</tr>
<tr>
<td>BRL</td>
<td>11.6%</td>
<td>8.5%</td>
</tr>
</tbody>
</table>

Net Financial Cost (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>2022e</th>
<th>2023e</th>
<th>2024e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.3%</td>
<td>4.9%</td>
<td>4.4%</td>
<td>4.3%</td>
<td></td>
</tr>
</tbody>
</table>

Cost of Net Debt peaking in 2023 after increasing % financing in USD and GBP.
ADEQUATE PROFILE OF FINANCIAL NEEDS OVER THE PERIOD WITH A PEAK IN 2023 DUE TO THE US FUNDING NEEDS

Financial needs

2022 financial needs fully covered

Average debt maturity EUR 5.4 Bn
Financing markets diversification

CURRENT DIVERSIFICATION OF FINANCING SOURCES ALLOWS ACCESS TO DIFFERENT LENDERS AND MARKETS…

CURRENT DEBT STRUCTURE BY MARKET

- EUR bonds: 22%
- USD bonds: 20%
- GBP bonds: 7%
- BRL bonds: 6%
- CP: 9%
- Bank loans: 15%
- Lease and others: 8%
- Multilateral, ECA and development: 14%

2025E DEBT STRUCTURE BY MARKET

- EUR bonds: 14%
- USD bonds: 31%
- GBP bonds: 4%
- BRL bonds: 3%
- CP: 9%
- Bank loans: 14%
- Lease and others: 8%
- Multilateral, ECA and development: 18%

... MULTILATERAL, ECAs & DEVELOPMENT BANKS INCREASE FROM EUR 7 BN TO EUR 11 BN IN 2025

Current outstanding hybrid amount: EUR 8.25 Bn
Debt market diversification

... OPTIMIZING OUR FINANCIAL SOURCES WHILE PROTECTING THE RATING AND INCREASING EXPOSURE TO ESG LENDERS

DURING THE PLAN

Bond Market
- EUR Bond market main source of long-term financing for the Corporation
- Iberdrola has access to USD market, biggest market in the world
- Avangrid main financing market is USD Bond
- Access and experience to other non € markets (GBP, CHF, JPY, CAD...)

Multilateral, ECAs & Development Banks
- Long-term financing not subject to capital markets volatility
- Very solid relationship with traditional players (EIB, ICO, BNDES...)  
- Expanding relationship with new ones (IFC, EKF, CESCE, Cassa Depositi...)

Bank Market
- Diversified and strong bank pool with main international and local banks. Adding new players in new geographies
- Banks favor green / sustainable funding where Iberdrola is a leader
- Low exposure in outstanding debt allows to increase bank risk in other instruments (credit lines, derivatives,..)
Hybrids

MAINTAINING CURRENT BALANCE OF EUR 8.25 BN THROUGHOUT THE PLAN

HYBRIDS FIRST RESET DATE (EUR BN)

- MAY.-23: 1.0
- MAR.-24: 0.7
- FEB.-25: 0.8
- >2025: 5.7

HIGHLIGHTS

- Iberdrola is comfortable and committed with its current hybrid portfolio despite current market environment.
- Iberdrola remains focused on the refinancing of its outstanding stock.
- Only EUR 2.5 Bn first reset date up to 2025.
- Hybrids strategy will remain supportive of existing credit ratings.

Iberdrola remains focused on the refinancing of its outstanding stock.
Financing Policy

AVERAGE DEBT MATURITY OF 6 - 7 YEARS

AVERAGE LIFE OF DEBT

6-7 years

- Prioritizing regulatory cycles vs. asset useful life
- Longer than the duration of regulatory cycles
- Allowing adjustment to new interest rate scenarios
LIQUIDITY MANAGEMENT, COMPLYING WITH RATING AGENCIES REQUIREMENTS

LIQUIDITY 2022-2025E (EUR BN)

25 months

21 months

22.4

25.5

2022e

2025e

Sources of Liquidity:

- Active Cash and equivalent management among the Group, optimizing cost
- Diversification of liquidity sources: cash & equivalents and syndicated and bilateral credit lines
- 100% sustainable KPIs

Above Rating Agencies requirements level for strong / adequate classification
Asset rotation and partnerships targets

ASSET ROTATION & PARTNERSHIPS IN LINE WITH OUR CONTINUOUS TRACK RECORD OF DELIVERY

ASSET ROTATION (EUR BN)
Divestments of assets with CAPEX already deployed

- 4% of total Assets*
- 6.4

Annual Average: 1.3
2018-2022

Annual Average: 1.7
2023-2025e

PARTNERSHIPS (EUR BN)
New build / projects. J.V. where CAPEX is deployed by partners

- 3% of total Assets*
- 4.9

Annual Average: 2.6
2023-2025e

- Target of EUR 2.6 Bn from 2023-2025e
- Expected capital gains not included in P&L estimates

NEW TARGET:
- New target of EUR 4.9 Bn from 2023-2025e

(*) Total Assets September 22: EUR 171,011 M
Asset rotation and partnerships target status

OVER 50% OF ASSET ROTATION & PARTNERSHIPS TARGET ADVANCED OR ALREADY STARTED

ASSET ROTATION AND PARTNERSHIPS (EUR BN)
EUR 7.5 BN TARGET STATUS

HIGHLIGHTS

- High volume of capital to be deployed by 100% equity funds (EUR 82 Bn) reducing exposure to debt markets
- Strong appetite for Iberdrola’s high-quality assets
  Already firm interest from investors for the advanced projects
- Iberdrola’s track record reduces execution risk
- Flexibility: alternative back up projects under analysis in addition to the initially targeted in Plan

3.5 identified

4

Advanced
Under analysis
Back up projects
Other alternative projects
Strategic Partner Overview

- MoU signed with BP to create a 50/50 joint venture for electric mobility in Spain and Portugal.
- Plans to expand fast EV public charging infrastructure to support the adoption of electric vehicles, with the deployment of up to 11,000 fast and ultra fast charging points by 2030.
- Investments of ~c. EUR 1 Bn until 2030.
- Ongoing process.

Iberdrola’s Stake

<table>
<thead>
<tr>
<th>Country</th>
<th>Technologies</th>
<th>Renewable Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Spain</td>
<td>Charging Points</td>
<td>50%</td>
</tr>
<tr>
<td></td>
<td>Offshore Wind</td>
<td>51%</td>
</tr>
<tr>
<td></td>
<td>Offshore Wind</td>
<td>50% VW1</td>
</tr>
<tr>
<td></td>
<td>Onshore Wind</td>
<td>100% PCW &amp; CWW</td>
</tr>
<tr>
<td></td>
<td>Offshore Wind</td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td>Offshore Wind</td>
<td>60%</td>
</tr>
</tbody>
</table>

Jordi Viseras

Iberdrola’s leadership in renewable energy

- JV Electric Mobility
- Wikinger
- Vineyard Wind
- East Anglia ONE ("EA1")

- Agreement with EIP for the sale of a minority stake (49%).
- Agreement with CIP to restructure Vineyard Wind 50/50 joint venture.
- Agreement with CIP to restructure Vineyard Wind 50/50 joint venture.
- Iberdrola and MAPFRE formed a strategic alliance "Ibermap" to invest in renewable energy projects across Spain.
- Iberdrola has contributed 295 MW operating wind assets to Ibermap.
- MAPFRE holds a 80% stake, while Iberdrola holds the remaining 20% and is responsible for developing, building and operating the assets.
- EA1 was awarded to Iberdrola through a "Contract for Difference" in 2015 by the UK Govt.
- Iberdrola begun the construction of EA1 in 2017. In 2019 sold a minority stake (40%) to Macquarie’s GIG.
- EA1 was able to start operating in 1H2020, despite Covid lockdowns and supply logistics constraints.
- EA1 generates enough electricity to power 600k homes annually.

1. 50% of Vineyard Wind 1 (806 MW under construction), 100% Park City Wind (804 MW under development) and 100% Commonwealth Wind (1,232 MW under development)
Solvency ratios

STRONG FINANCIAL RATIOS DURING THE PLAN, ALLOWING IBERDROLA TO BE COMFORTABLY WITHIN THE RATING AGENCIES THRESHOLDS DUE TO OUR COMMITMENT TOWARDS CURRENT RATING

- **NET DEBT / EBITDA**
  - 2023e*: 3.7
  - 2024e: 3.5
  - 2025e: 3.4

- **FFO / NET DEBT**
  - 2023e*: 20.0%
  - 2024e: 21.3%
  - 2025e: 22.0%

- **RCF / NET DEBT**
  - 2023e*: 17.8%
  - 2024e: 19.3%
  - 2025e: 19.7%

Average 2023-2025:
- **NET DEBT / EBITDA**: 3.45
- **FFO / NET DEBT**: 22.3%
- **RCF / NET DEBT**: 19.9%

**IMPROVING 2025 CREDIT METRICS VERSUS NOVEMBER 2020 PLAN**

*12 months pro forma FFO, RCF and EBITDA, for PNM Resources
Includes Iberdrola estimates of PNM Resources
FX risk management: structural and annual

STRUCTURAL FX HEDGE BY HAVING THE DEBT IN THE SAME CURRENCY AND SIMILAR % AS THE FFO TO PROTECT CREDIT RATINGS...

STRUCTURAL

ANNUAL

- Hedging Net Income FX exposure in currencies against the Euro
- Net Income FX risk is managed on a yearly basis
- Long-term FX management not possible as it would generate P&L volatility

... WHILE EVERY YEAR, FX RISK IN THE PROFIT & LOSS ACCOUNT IS HEDGED THROUGH DERIVATIVES
Structural subordination

OUR MODEL IS BASED ON FINANCING THE GROUP NEEDS FROM THE HOLDING…

- Committed to converge back to 30% levels in subsequent years
- Direct access to cash flows from unlevered and fully owned subsidiaries (large part of Group’s EBITDA ~ 65%)
- High visibility of centralized cash flows (regulated and long-term contracted)
- Centralized treasury and very strong liquidity at Holding

… ONLY FINANCING FROM SUBHOLDING FOR REGULATORY REQUIREMENTS (USA) OR COUNTRY RISK REASONS (BRAZIL)

<table>
<thead>
<tr>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td>26.5%</td>
<td>33.2%</td>
</tr>
</tbody>
</table>
EU Taxonomy

Commitment with sustainable finance to foster decarbonization having ~90% of total organic investment plan aligned with EU taxonomy…

% Taxonomy aligned CAPEX* plan 2023-2025E

~90% aligned

Sustainable / green financing in Iberdrola

- More than 58% ESG financial instruments** as of today are ESG labelled
- Minimum 80% of new financial instruments** during the plan will be ESG labelled
- Forecasting more than 70% ESG labelled financial instruments** by 2025

(*) Organic capex

(**) Volume of financial instruments (RCF, commercial paper, Hybrids, Senior Bonds)

... that will be financed under sustainable / green principles
Green financial principles

WORLD PRIVATE GROUP LEADER IN GREEN BONDS ISSUED WITH MORE THAN EUR 16 BN OUTSTANDING

Accountability

Use of proceeds guarantees transparency in impact and accountability

Assurance

Strict Reporting, SPOs and external verification to provide assurance

Taxonomy

Strict standards for the eligibility fully aligned with the Company strategy

Best in class format for investors with an estimated Greenium of 8-10 b.p.*

ASSET BASE + ENERGY TRANSITION = MAXIMIZING ACCESS TO THE GREEN BOND MARKET

(*) Utilities greenium compared to senior bonds / Based on market bank’s estimates
Outlook 2020-2030: ESG

ESG INTEGRATION IN OPERATIONS AND FINANCING STRATEGY...

**Environmental**
- Decarbonization
- Water
- Circular economy
- Biodiversity
- R&D

**Social**
- Diversity & inclusion
- Health & Safety
- Products & services
- Contribution to sustainable development

**Governance**
- Best practices

**Financial**
- Long-term Financial Strategy

...TRANSLATED INTO ACTUAL ESG TARGETS

In 2030, Carbon Neutral in Scope 1 & Scope 2\(^1\)
- Net zero in Scopes 1, 2 & 3 before 2040
- -70% in water consumption 2030 vs 2019
- 100% blade recycling in 2030\(^2\)
- Net positive in biodiversity & 20 million trees in 2030\(^3\)
- EUR 550 M in R&D by 2030

35% women in relevant positions in 2030 & Equal Pay Certification by 2025\(^4\)
- -21% accidentality rate in 2030 (vs 2021)
- 83% of smart grids & >70% digital customers in 2025
- 18k annual volunteers\(^5\) & ≥85% purchases from sustainable suppliers in 2030
- >50% Independent members in the BoD
- ≥40% women in the BoD
- Independent validation of our compliance systems
- Strong Solvency ratios and liquidity
- Diversified and Sustainable sources of Financing: minimum 80% of new financial in green and sustainable format

1) According to SBTI methodology. (2) Subject to the availability of commercial solutions (3) Includes target on No Net deforestation in 2025 (4) Prior to 31/12/2024: Selection of the certifying firm and preparation of the obtention process (5) Employees & companions

www.iberdrola.com | 27
Conclusions

- Solid and flexible financial model
- Financing the plan while maintaining financial strength. FFO / ND ~21% over the plan, consistent with rating agencies ratios for current BBB+/Baa1 rating
- Delivering sustainable long-term return thanks to cash generation
- Shareholder remuneration growing in line with Results
- Leaders in ESG. Best practices in environmental, social and governance

Financing Growth CAPEX

Strong Financial Position

Sustainable Return

ESG
Annex
Macro hypothesis for 2023-2025

**YEAR END INTEREST RATES**

<table>
<thead>
<tr>
<th>Year</th>
<th>10Y</th>
<th>Short Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>2.89%</td>
<td>4.35%</td>
</tr>
<tr>
<td>2023</td>
<td>2.94%</td>
<td>4.31%</td>
</tr>
<tr>
<td>2024</td>
<td>2.97%</td>
<td>4.12%</td>
</tr>
<tr>
<td>2025</td>
<td>2.75%</td>
<td>4.15%</td>
</tr>
</tbody>
</table>

**FX RATES**

<table>
<thead>
<tr>
<th>Year</th>
<th>10Y</th>
<th>Short Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>0.87</td>
<td>13.65%</td>
</tr>
<tr>
<td>2023</td>
<td>0.90</td>
<td>11.15%</td>
</tr>
<tr>
<td>2024</td>
<td>0.90</td>
<td>7.90%</td>
</tr>
<tr>
<td>2025</td>
<td>0.90</td>
<td>7.65%</td>
</tr>
</tbody>
</table>

---

1) Year end based on implied market data of Oct 27th.
2) 3rd November

Last ref 1: 0.98
Last ref 2: 0.87
Last ref 3: 5.08
Macro hypothesis for 2023-2025

YEAR END GDP

<table>
<thead>
<tr>
<th>Year</th>
<th>GDP</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR</td>
<td>2.60%</td>
<td>2.60%</td>
<td>0.60%</td>
<td>1.05%</td>
<td>1.50%</td>
</tr>
<tr>
<td>USD</td>
<td>2.60%</td>
<td>0.85%</td>
<td>1.33%</td>
<td>1.80%</td>
<td></td>
</tr>
<tr>
<td>GBP</td>
<td>3.45%</td>
<td>0.00%</td>
<td>0.90%</td>
<td>1.80%</td>
<td></td>
</tr>
<tr>
<td>RMB</td>
<td>1.90%</td>
<td>0.90%</td>
<td>2.10%</td>
<td>2.00%</td>
<td></td>
</tr>
</tbody>
</table>

YEAR END INFLATION

<table>
<thead>
<tr>
<th>Year</th>
<th>Inflation</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>EUR</td>
<td>2.00%</td>
<td>8.00%</td>
<td>2.90%</td>
<td>2.00%</td>
<td>2.00%</td>
</tr>
<tr>
<td>USD</td>
<td>0.41%</td>
<td>6.00%</td>
<td>2.41%</td>
<td>2.00%</td>
<td>2.00%</td>
</tr>
<tr>
<td>GBP</td>
<td>0.00%</td>
<td>13.50%</td>
<td>6.40%</td>
<td>3.40%</td>
<td>3.40%</td>
</tr>
<tr>
<td>RMB</td>
<td>0.41%</td>
<td>7.85%</td>
<td>4.39%</td>
<td>3.50%</td>
<td>3.25%</td>
</tr>
</tbody>
</table>

1) 3rd of November

Last ref: 9.90%

CAPITAL MARKETS & ESG DAY
NEW TARGETS INCREASE FINANCIAL RESULTS IN 2025…

<table>
<thead>
<tr>
<th></th>
<th>CMD – Nov. 2020E</th>
<th>CMD – Nov. 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organic CAPEX (23-25)</td>
<td>EUR 36.8 Bn</td>
<td>EUR 36.2 Bn</td>
</tr>
<tr>
<td>Renewable new installed capacity 23-25</td>
<td>~16 GW</td>
<td>~12 GW</td>
</tr>
<tr>
<td>RAB 2025</td>
<td>EUR ~47 Bn</td>
<td>EUR ~56 Bn</td>
</tr>
<tr>
<td>EBITDA 2025</td>
<td>EUR ~15 Bn</td>
<td>EUR 16.5 –17 Bn</td>
</tr>
<tr>
<td>Net Profit 2025</td>
<td>EUR ~5 Bn</td>
<td>EUR 5.2-5.4 Bn</td>
</tr>
<tr>
<td>Net Debt 2025</td>
<td>EUR 56.1 Bn</td>
<td>EUR 57.5 Bn</td>
</tr>
<tr>
<td>Average cost debt</td>
<td>3.0%</td>
<td>4.3%</td>
</tr>
<tr>
<td>FFO / ND 2025</td>
<td>21.6%</td>
<td>22.0%</td>
</tr>
<tr>
<td>ND / EBITDA 2025</td>
<td>3.7x</td>
<td>3.4x</td>
</tr>
<tr>
<td>DPS 2025</td>
<td>EUR 0.53-0.56/ share (floor 0.44 EUR/share)</td>
<td>EUR 0.55-0.58/ share (floor 0.50 EUR/share)</td>
</tr>
</tbody>
</table>

...INCREASING EARNINGS QUALITY WHILE PROTECTING THE BALANCE SHEET
Partnerships value creation

**PART OF THE STRATEGY TO MAINTAIN SOLIDITY AND ACCELERATE GROWTH...**

- **IBE** Majority or Minority stake
- **Value**
- **Growth**
- Partner

**Project CAPEX** to be developed

- **Sharing** the operation and construction **risks in Offshore**
- **Flexibility** to accelerate **growth**
- IBE retains **O&M enhancing returns**
- **Attractive portfolio** among the **investor community**
- **Renewables** projects as the preferred option

**...WITH NO CAPITAL GAINS CONSIDERED, REPRESENTING AN UPSIDE**
Outlook 2020-2030: ESG

**E**
- **Carbon Neutral in electricity generation in 2030**
- **Biodiversity: Net positive impact in 2030**
- **Biodiversity: Conservation, restoration & plantation**
- **Blade recycling**
- **Water consumption**
- **Smart Solutions**
- **R&D investment**

**S**
- **Training hours**
- **Smart Grid implementation**
- **Women in relevant positions**
- **Equal pay certification**
- **Accidentality Rate**
- **Electricity for All program**
- **Foundation**
- **Sustainable Suppliers**
- **Cybersecurity**

**G**
- **Best practices in Governance**
- **Independent Board Members**
- **Women in the Board**

**F**
- **ESG financing**

### Capital Markets & ESG Day

<table>
<thead>
<tr>
<th>ESG Category</th>
<th>2021*</th>
<th>2025e</th>
<th>2030e</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Carbon Neutral in electricity generation in 2030</strong></td>
<td>96</td>
<td>&lt;70</td>
<td>Carbon neutral**</td>
</tr>
<tr>
<td><strong>Biodiversity: Net positive impact in 2030</strong></td>
<td>n/a</td>
<td>20%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Biodiversity: Conservation, restoration &amp; plantation</strong></td>
<td>0%</td>
<td>50%</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Blade recycling</strong></td>
<td>307</td>
<td>270</td>
<td>145</td>
</tr>
<tr>
<td><strong>Water consumption</strong></td>
<td>11</td>
<td>18</td>
<td>21</td>
</tr>
<tr>
<td><strong>Smart Solutions</strong></td>
<td>337.5</td>
<td>420</td>
<td>550</td>
</tr>
<tr>
<td><strong>R&amp;D investment</strong></td>
<td>58.6</td>
<td>≥55</td>
<td>≥55</td>
</tr>
<tr>
<td><strong>Training hours</strong></td>
<td>73</td>
<td>83</td>
<td>-</td>
</tr>
<tr>
<td><strong>Smart Grid implementation</strong></td>
<td>24.4%</td>
<td>30%</td>
<td>35%</td>
</tr>
<tr>
<td><strong>Women in relevant positions</strong></td>
<td>-</td>
<td>✓ -</td>
<td>-</td>
</tr>
<tr>
<td><strong>Equal pay certification</strong></td>
<td>-</td>
<td>-10%</td>
<td>-21%</td>
</tr>
<tr>
<td><strong>Accidentality Rate</strong></td>
<td>9.6</td>
<td>14</td>
<td>16</td>
</tr>
<tr>
<td><strong>Electricity for All program</strong></td>
<td>2</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td><strong>Foundation</strong></td>
<td>80.1%</td>
<td>≥85%</td>
<td>≥85%</td>
</tr>
<tr>
<td><strong>Sustainable Suppliers</strong></td>
<td>1,670</td>
<td>2,000</td>
<td>2,000</td>
</tr>
<tr>
<td><strong>Cybersecurity</strong></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Best practices in Governance</strong></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Independent Board Members</strong></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Women in the Board</strong></td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

**Minimum**
- 80% for ESG Financing

*Last closed year **<10 gr CO2/kWh according to Near Term Targets from SBTi Net Zero Methodology

*** This target is subject to the existence of a commercial feasible solution ****31.12.2024
Risk sources

MAIN SOURCES OF RISK

Political environment

+ Prices & Spreads

- Interest rates

- FX

- Competition

Economic environment

+ Inflation

- Demand variation

- Execution

- Weather
### Long-term Outlook Sensitivities

<table>
<thead>
<tr>
<th>Sensitivity to:</th>
<th>EBITDA (+/-) 2023-2025 average</th>
<th>Net Profit (+/-) 2023-2025 average</th>
</tr>
</thead>
<tbody>
<tr>
<td>FX</td>
<td>~5%</td>
<td>~4%</td>
</tr>
<tr>
<td>10% variation of exchange rate vs EUR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest rates</td>
<td>~1%</td>
<td></td>
</tr>
<tr>
<td>+- 50 b.p. deviation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power prices</td>
<td>~2%</td>
<td>~5%</td>
</tr>
<tr>
<td>+- 10 €/MWh (*)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Demand</td>
<td>~2%</td>
<td>~3%</td>
</tr>
<tr>
<td>+- 5%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Spain, USA, UK, México, Brazil, Australia
Spain sensitivity is only in 2025 as 2023 & 2024 clawback hypotheses are considered.