



Shareholder's Bulletin

Nine Months

Sustainable
Event



**Iberdrola increases its
interim dividend in 11%
(€0.20 gross per share)
charged to 2023**

Chairman's key points



Ignacio Galán

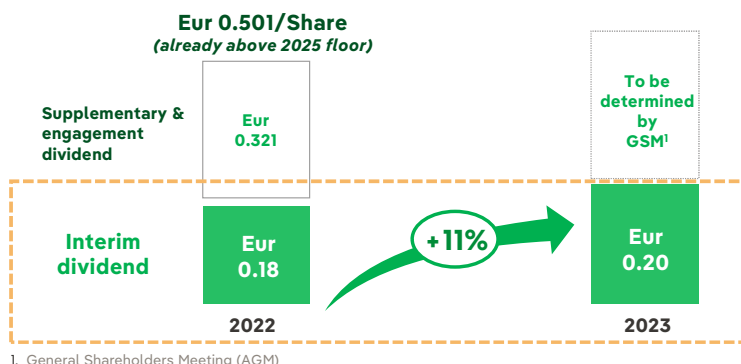
Chairman of Iberdrola

“The implementation of the strategy presented last November is allowing us to grow, preserve our financial strength and increase the dividend”

Sustainable shareholder remuneration in 2023

Iberdrola increases shareholder remuneration by 11%

On 25 October 2023, Iberdrola's Board of Directors agreed to pay an interim dividend of €0.20 gross per share charged to the 2023 financial year and payable in 2024, increasing by 11% compared to that paid in 2023 thanks to the results derived from Iberdrola's business model.



The dividend will be paid through a new edition of the "Iberdrola Remuneracion Flexible" (scrip dividend) optional dividend system, allowing shareholders to choose or combine the following options for the payment of the dividend:

- i. receive their remuneration in the form of fully paid-up new shares;
- ii. sell all or part of their free allocation rights on the market;
- iii. receive their remuneration in cash through the payment of the Final Dividend.

It should be noted that the total dividend charged to 2022 has already reached the threshold established for 2025 in the last strategic plan, this amount being €0.501 gross per share.

"Iberdrola Remuneracion Flexible" Calendar January 2024

- **27, 28, 29 and 30 December 2023 and 2 and 3 January 2024:** Days that count towards fixing the number of free allocation rights.
- **5 January 2024:** Notification of the number of free-of-charge allocation rights required to receive one share.
- **8 January 2024:** Last day on which Iberdrola shares are traded with the right to participate in the "Iberdrola Flexible Remuneration" system.
- **9 to 23 January 2024:** Election and trading period for free allotment rights.
- **31 January 2024:** Interim Dividend Payment to shareholders who have elected to receive cash through this option.
- **2 February 2024:** Expected date for the start of trading in the new shares.

Commitment to shareholders

The Shareholders' Meeting approved a new treasury share redemption programme in order to meet the group's commitment to maintain the number of shares outstanding at around 6.240 billion.

Highlights of the period

Investments reach €10.842 billion in 12 months

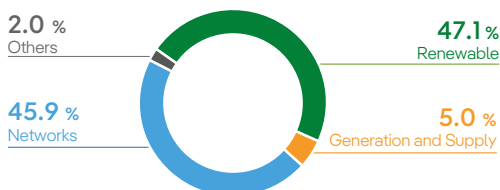
Gross investments amounted to €10.842 billion in the last 12 months, of which €7.6795 billion in the first nine months of the year. These investments focus mainly on the Renewables and Networks Businesses in line with the Group's strategy. These two businesses account for approximately 93% of the gross investments made during the first nine months of 2023.

As for the **Networks** business, most of the investments were made in the United States and Brazil, amounting to €1.338 billion and €1.109 billion, respectively. Resulting in a 9% increase in our regulated asset base, reaching €41.3 billion.

Investments in the **Renewables** business amounted to €3.619 billion, equivalent to 47.1% of the total, mainly in Spain, the UK and the US, resulting in 3,100 MW installed in the last twelve months, reaching 41,300 MW installed.

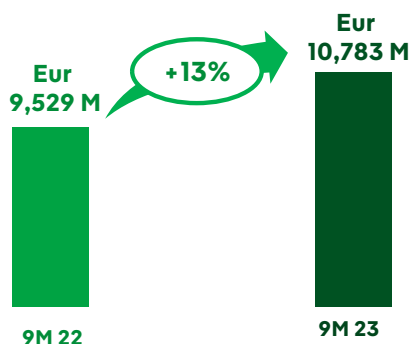
Investments by Business

(January-Sep 2023)



EBITDA increased by 13% to 10,783 billion euros

EBITDA evolution



EBITDA in the first half of 2023 grew by 13% compared to the first half of 2022, mainly due to higher production volumes, higher load factor and operational efficiency, together with lower energy purchases.

By business, EBITDA in the **Networks** business totalled €4.3967 billion, due to annual tariff adjustments, as well as regulatory frameworks in the UK, Brazil and the US that protect against inflation and the strength of the networks.

In turn, the EBITDA of **Electricity Production and Customers** business increased by 34.2% to €6.3737 billion, thanks to the standardisation of production and better prices of renewable energies in Europe and the US, improved results in the UK due to the

standardisation of margins and lower operating expenses, as well as the higher renewable capacity.

Net profit goes up by 17.2%

Net Profit reached €3.637 billion in the first nine months of 2023, an increase of 17.2% from €3.1036 billion at the end of September 2022, although, discounting the effect of the aforementioned deferred tax in Mexico (which will be reversed in the future), Net Profit would grow by 22.4%.

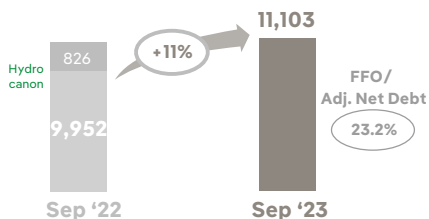
Increasing financial strength

Of note was the improvement in cash generation, which improved by 11% to 11,103 million euros in the first half, excluding the recovery of the hydroelectric levy in 2022, the increase was 11%.

Thus, there was an improvement in the financial ratios, where the ratio of operating cash flow to Net Debt reached 23,2%.

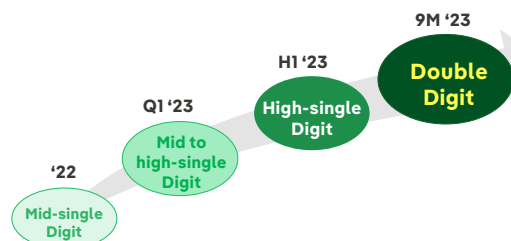
The financial position is strengthened by new green financing (€5.26 billion). As of today, liquidity amounts to 20.3 billion euros, covering 21 months of financing needs, with an average maturity of close to 6 years.

OPERATING CASH FLOW – FFO¹ (EUR M)



¹ FFO considers last 12m

2023 Net Profit Growth Outlook



Improving our outlooks...

On-going improvement of results drives once again an increase of our outlook to double digit (excluding capital gains from asset rotation).

Completion of the asset rotation plan 2023-2025

Ahead of schedule, we completed the 2023-2025 Asset Rotation Plan for an amount of €7.5 billion.

- Increasing flexibility to access a larger number of projects and investments.
- Strengthening the balance sheet with the aim of reducing long-term investment risks.
- Anticipating cash flows and reducing financial needs.
- Improving our profitability, our execution capabilities and energy management.

Transaction overview

	Asset Rotation	Partnership
mip	✓	
NORGES BANK	✓	✓
GIC	✓	✓
MASDAR	✓	
MAPFRE	✓	✓
Eletrobras	✓	
bp		✓
Mexico Transaction	✓	
Strategic Alliance in Spain and Portugal	✓	✓
Transmission Brazil	✓	✓
JV Offshore Germany	✓	
JV Onshore Spain	✓	✓
Hydro stakes in Brazil	✓	
JV Mobility		✓

Transaction progress and potential new opportunities

- The obtaining of permits to complete the transaction between subsidiaries of Iberdrola **Mexico and Mexico Infrastructure Partners ("MIP")** continues to progress and the transaction is expected to close by the end of the year.

- An agreement has been signed to sell a 49% stake in the Baltic Eagle offshore wind project in Germany to **Masdar** (a renewable energy company of the Emirate of Abu Dhabi)
- Through its subsidiary Neoenergia, Iberdrola closed the asset swap agreement with **Eletrobras**, consolidating 100% of the Dardanelos hydroelectric plant, with a positive impact of R\$1,500 million.
- Following the approval by the Brazilian regulatory authorities of the transaction between Iberdrola and **GIC** (Singapore's sovereign wealth fund), the strategic agreement for the development of 1,865 km of transmission networks in Brazil was closed for BRL 1.1 billion (for 50% of the assets).

Monitoring of the Strategic Plan

In accordance with the pillars of the strategic plan presented at the investor day in 2022, these are the results:

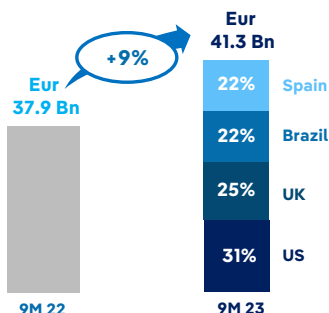
Growth in the Networks Business...

The **Networks Business** has increased the regulatory asset value (RAB) by 9% to €41.2 billion, organic growth in countries with high ratings and legal certainty.

Thus, 90% of the regulatory frameworks ("rate cases") on distribution in the US are closed and in Brazil there is a positive proposal for renewal for 30 years, ensuring future growth.

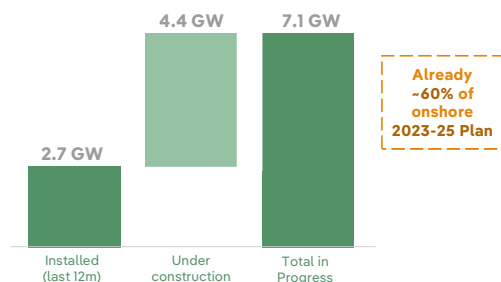
On the other hand, there is additional growth in transmission for an amount of €5 billion, in the United States due to the climate commitment and in the United Kingdom in the Eastern Link line (which will allow the recognition of revenue during construction).

RAB by Geography (y-o-y)



Selective investment in renewables...

ONSHORE RENEWABLE CAPACITY BY STAGE



In order to balance our generation/supply position, installed capacity in Iberdrola's **Renewable Business** grew by 3.6% to 62 GW.

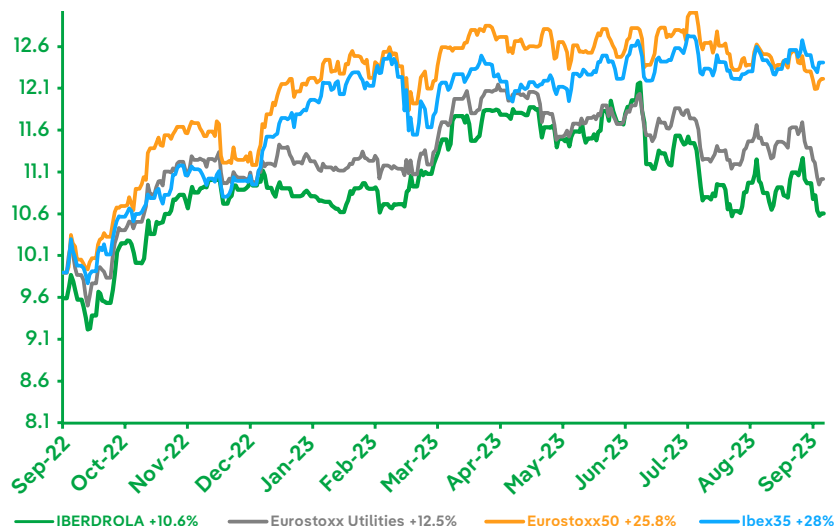
By technology, 2.7 gigawatts of **onshore wind** power have already been installed in the last 12 months and a portfolio of 4.4 GW under construction.

With regards to growth in **offshore wind** this is secured by significant progress in international projects: St. Brieu, Baltic Eagle, Vineyard Wind, East Anglia 3 and Windanker, where the supply chain is secured, the energy sold and only built in highly rated countries.

Given that **storage** is key to modulating supply and demand in short and long cycles as well as to providing seasonal storage and ancillary services, Iberdrola has more than 100 million kWh of pumped storage capacity and a significant expansion forecast in the coming years, as well as batteries in operation in Spain, the United Kingdom and Australia

As for the **Customer Business**, around 90% of the energy planned for 2023-25 is already sold, securing long-term revenue through private contracts.

IBERDROLA and the stock market



Iberdrola's share

	9M 2023	9M 2022
Number of outstanding shares	6,350,278,000	6,362,094,000
Price at the end of the period	10.595	9.582
Average price of the period	11.211	10.198
Average daily volume	12,052,470	14,415,775
Maximum volume (21-04-2023 / 22-04-2022)	44,284,813	50,291,361
Minimum (04-09-2023 / 17-05-2022)	3,926,418	5,239,815
Dividends paid (€)	0.5010	0.4490
Gross interim (31-01-2023 / 02-02-2022) ⁽¹⁾	0.1800	0.1700
Complementary dividend (28-07-2023/29-07-2022) ⁽¹⁾	0.3160	0.2740
Engagement (03-05-2023 / 20-06-2022)	0.0050	0.0050
Dividend yield ⁽²⁾	4.72%	4.68%

(1) Purchase price of rights guaranteed by Iberdrola.

(2) Dividends paid in the last 12 months / period-end share price

Stock Market Data

		9M 2023	9M 2022
Market capitalisation	€ (million)	67,281	60,961
Earnings per share (6.350.278.000 shares a 30/09/2023 y 6.362.094.000 shares a 30/09/2022)	€	0.541	0.464
Net operating cash flow per share	€	1.27	1.28
P.E.R.	Times	16.41	13.89

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Iberdrola, S.A. commits to carrying out its best efforts to achieve its ambition of carbon neutrality for its Scope 1 and 2 in 2030. For these purposes, it will align its strategy, investments, operations and public positioning with this ambition. Additionally, Iberdrola, S.A. is also committed to undertake the energy transition in a way that creates value for its shareholders, employees, clients, suppliers and the communities where it operates. Accordingly, Iberdrola, S.A. reserves the capacity to adapt its planning to successfully face its performance in key material aspects such as the value of Iberdrola, S.A., the quality of supply or the social, labor, and fair transition conditions. The abovementioned commitments are of aspirational nature.

ALTERNATIVE PERFORMANCE MEASURES

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. In particular, please refer to <https://www.iberdrola.com/documents/2025/3552388/alternative-performance-measures-239M.pdf>.



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