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 2022 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.

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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.

EBITDA increased by 13% to 10,783 billion euros

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.

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 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).

Selective investment in renewables...

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. Brieuc, 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

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

(1) Purchase price of rights guaranteed by Iberdrola.
(2) Dividends paid in the last 12 months / period-end share price

### Stock Market Data

<table>
<thead>
<tr>
<th></th>
<th>9M 2023</th>
<th>9M 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market capitalisation</td>
<td>€ (million)</td>
<td>67,281</td>
</tr>
<tr>
<td>Earnings per share (6,350,278,000 shares a 30/09/2023 y 6,362,094,000 shares a 30/09/2022)</td>
<td>€</td>
<td>0.541</td>
</tr>
<tr>
<td>Net operating cash flow per share</td>
<td>€</td>
<td>1.27</td>
</tr>
<tr>
<td>P.E.R.</td>
<td>Times</td>
<td>16.41</td>
</tr>
</tbody>
</table>

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Commitment to shareholders

The dividend will be paid through a new edition of the “Iberdrola Remuneracion Flexible” (scrip dividend) share charged to the 2023 financial year and payable in 2024, increasing by 11% compared to that paid in 2022.

On 25 October 2023, Iberdrola’s Board of Directors agreed to pay an interim dividend of €0.20 gross per share, which will be payable to shareholders who hold their iShares on 14 November 2023, corresponding to the first quarter of 2023.

Sustainable shareholder engagement

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, Iberdrola, S.A. is developing new business models and using innovative technologies, including those related to the energy transition and digitalization.

Iberdrola, S.A. has established its sustainability strategy and aligned its strategy, investments, operations and public positioning with this ambition. Additionally, Iberdrola, S.A. is also committed to undertake initiatives related to the social, labor, and fair transition conditions.

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/2015/416es). The APMs are performance measures that have been calculated using the financial information from Iberdrola, S.A. and the companies within its group, that are not defined or detailed in the applicable financial information framework. These APMs are used to allow for a better understanding of the financial performance of Iberdrola, S.A. and should be considered only as additional information and in no case as a substitute of the financial information prepared under IFRS.

Number for Shareholders (in Spain) / 900 10 00 19 (toll free)
Number for Shareholders (UK) Calls to this number are charged at 8p per minute from a BT landline. Other telephone providers costs may vary / (0) 871 384 2936
Number for Shareholders (US) / 1 (866) 726 8237 (toll free)
E-mail / accionistas@iberdrola.com
Web site / www.iberdrola.com

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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 advised to read Iberdrola, S.A. and their subsidiaries’ most recent Annual Report on Form 20-F filed with the SEC for a discussion of important factors which could cause actual results to differ materially from Iberdrola, S.A.’s forward-looking statements. Iberdrola, S.A. cautions 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.

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For more information about Iberdrola, S.A., please visit: www.iberdrola.com.