



# Capital Markets & ESG Day

21 March 2024

Sustainable  
Event



## Disclaimer

- This document has been prepared by Iberdrola, S.A. exclusively for use during the presentation “Capital Markets & ESG Day” on March 21, 2024. 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 for shares, in accordance with the provisions of 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 and its 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 March 21, 2024. The financial information contained in this document has been prepared and is presented in accordance with the International Financial Reporting Standards as adopted by the European Union (“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](http://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.

## Important information

- 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](http://www.avangrid.com) and the U.S. Securities and Exchange Commission ("SEC") website at [www.sec.gov](http://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 <https://ri.neoenergia.com/> and the Brazilian Comissão de Valores Mobiliários ("CVM") website at [www.cvm.gov.br](http://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.
- 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.



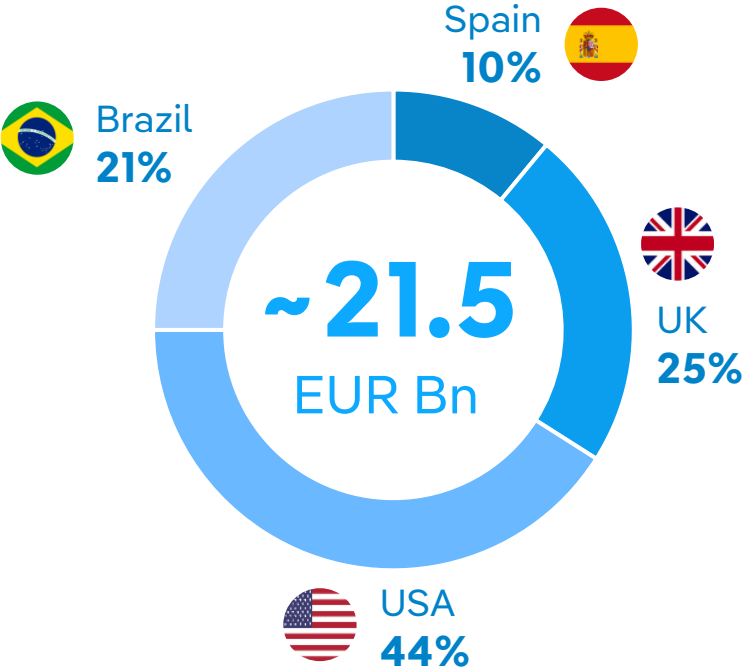
Business Environment

**Armando Martínez**

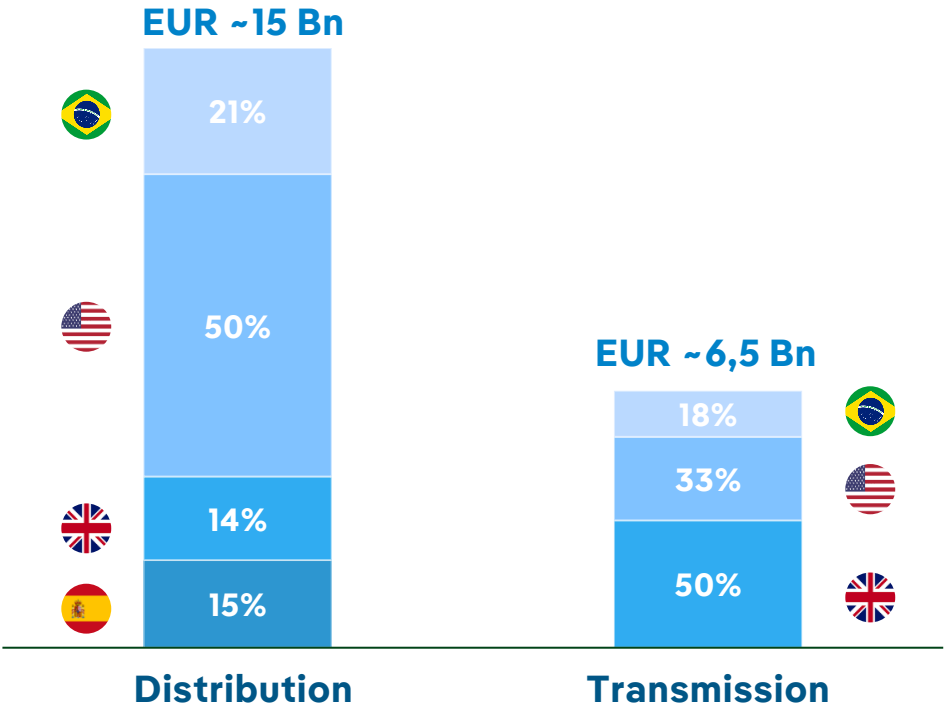
CEO

EUR ~21.5 Bn investment in 2024-2026

2024-2026e Gross investment by geography




2024-2026e Gross investment by activity







Geographic diversification and stable regulatory frameworks

More than 90% of the investments with agreed frameworks up to end 2025 and ~80% by 2026...



## Electricity Distribution

License	Regulatory period	2024 2025 2026	Investment 2024-26 EUR Bn	Regulatory Profitability <sup>1</sup>
 SPD	2023/2028		1.0	~7.5% Inflation protection
	SPM	2023/2028	1.0	
 NYSEG-E	2023/2026		3.7	~8.5% Inflation protection
	RGE-E	2023/2026	1.0	
	CMP-D	2023/2025	0.8	
	UI-D	2023/2024	0.7	
 COELBA	2023/2028		1.7	~16.0% Inflation protection
	COSERN	2023/2028	0.3	
	ELEKTRO	2023/2027	0.5	
	PERNAMBUCO	2021/2025	0.5	
	BRASILIA	2021/2026	0.1	
 i-DE	2020/2025		2.2	~5.6%

## Electricity Transmission

License	Regulatory Period	2024 2025 2026	Investment 2024-26 EUR Bn	Regulatory profitability <sup>1</sup>
 SPT	2023/2026		3.2	~7.5% Inflation protection
 CMP-T	FERC		0.6	~10.0% Inflation protection
		UI-T	0.3	

## Gas Distribution

License	Regulatory Period	2024 2025 2026	Investment 2024-26 EUR Bn	Regulatory profitability <sup>1</sup>
 NYSEG-G	2023/2026		0.3	~8.5% Inflation protection
	RGE-G	2023/2025	0.3	
	SCG	2023/2024	0.4	
	CNG	2023/2024	0.3	
	BGC	2023/2024	0.1	

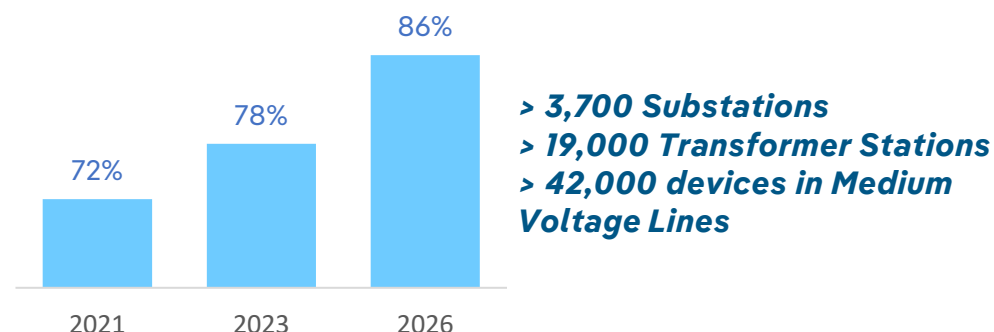
...providing options for outperformance and protecting from inflation

## Driving the development of the smart grids through digitalization...

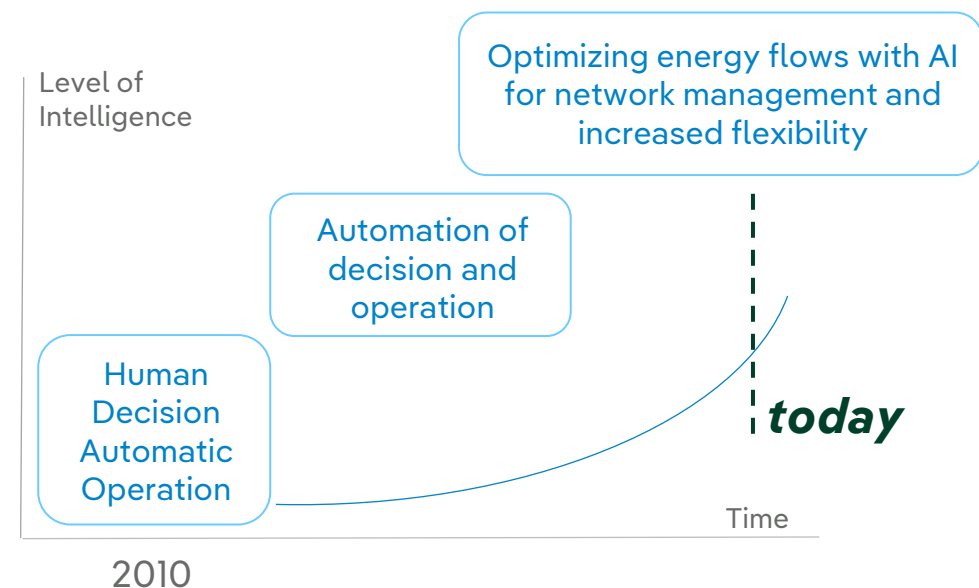
### Digitalized asset base

- **Low voltage: 15M** Smart meters installed
- **Medium and high voltage: ~80%** of digitalized network

### Digitalized network (High and Medium voltage)



### Increasingly intelligent network operation processes



**70% supply recovery in 30 minutes using AI** algorithms without human intervention

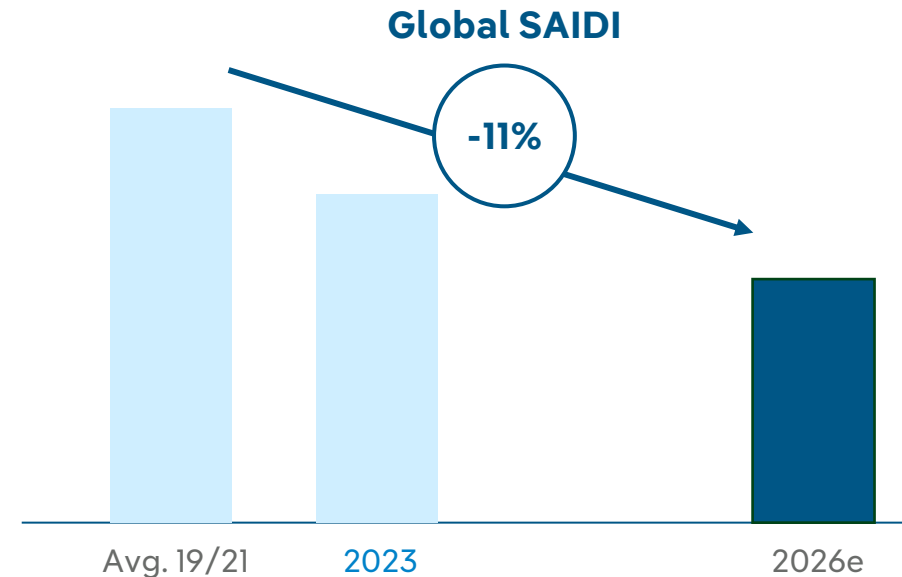
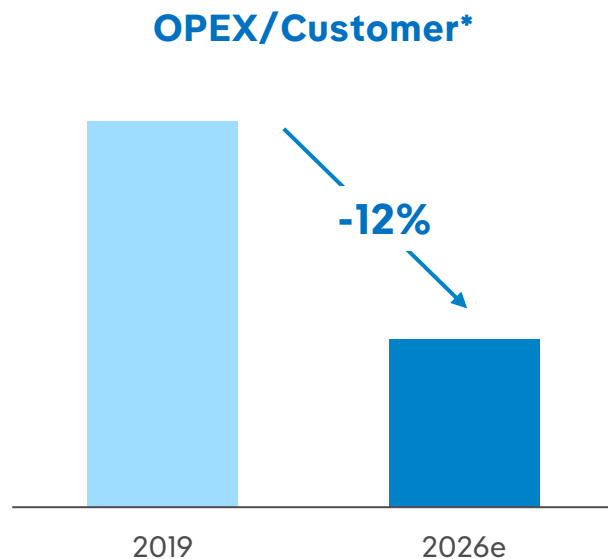
...leveraged in the Global Smart Grids Innovation Hubs in Spain, UK and Qatar



## Digitalization accelerates the improvement in quality of service and efficiency

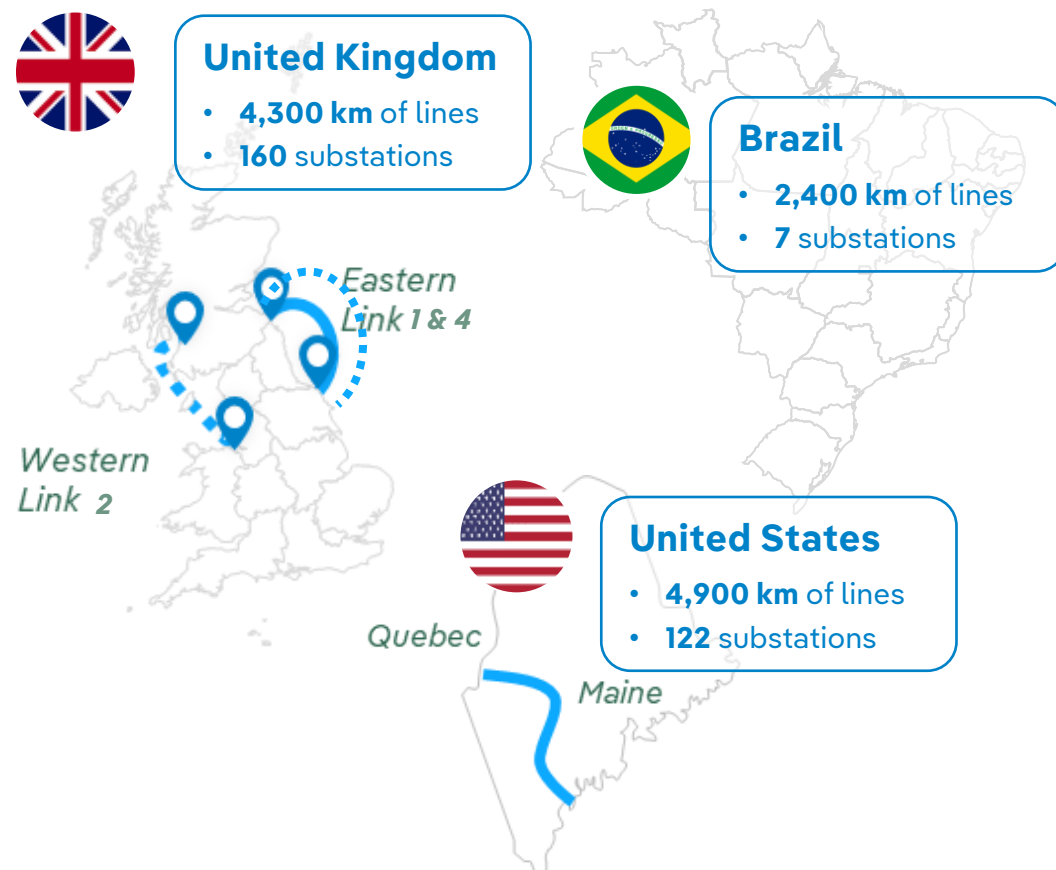
Efficiencies shared with customers to **reduce tariffs**

**11% improvement in quality of service (SAIDI)**





**EUR ~6.5 Bn investment in the period 2024-2026...**



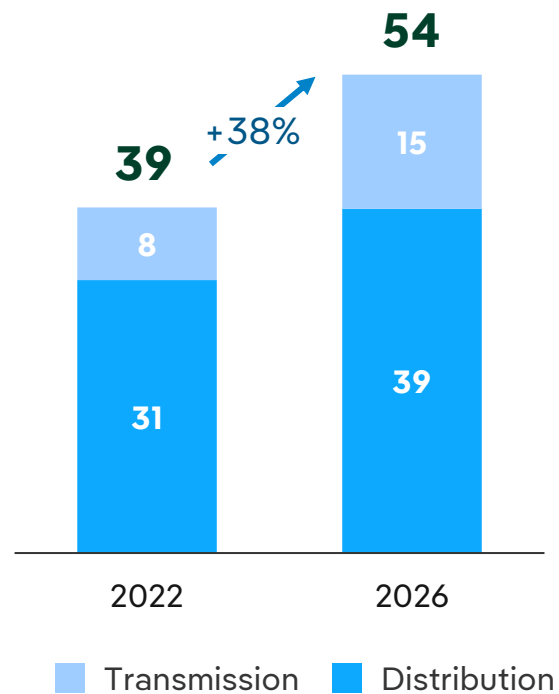
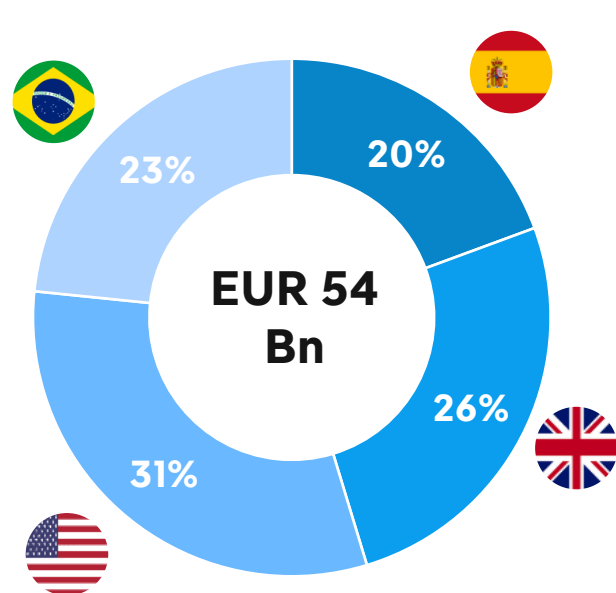
## Main transmission projects

	Total project investment		COD
<b>NECEC y FERC</b>	NECEC: CAPEX EUR 0.9 Bn FERC: CAPEX EUR 0.9 Bn	Under construction	NECEC 2026
<b>Transmission Brazil*</b>	CAPEX EUR 2.6 Bn	Under construction	2024-2025
<b>Eastern Link 1* (EGL1)</b>	CAPEX EUR 1.3 Bn	Under execution	2028
<b>Holistic Network Design*</b>	CAPEX EUR 0.8 Bn	Under execution	
<b>Eastern Link 4* (EGL4)</b>	CAPEX EUR 1.4 Bn	Under development	To be defined (>2030)
<b>Western Link 2* (WHVDC2)</b>	CAPEX EUR 1.4 Bn	Under development	

**...in projects with full visibility**

## Networks investment allows a ~38% increase in the asset base vs 2022

### 2026 Asset Base (EUR Bn)



### 2026 Key metrics



**36 M** connections



**>20 M** smart meters by 2026



**11%** improvement in quality of service



**1.3 M km** distribution lines



**310 TWh** distributed energy

## Cleaner energy and decarbonization solutions for our customers

### Renewables

**EUR 15.5 Bn**

Capex 2024-26



Offshore



Onshore



Solar PV

Track record of performance  
across all decarbonized  
generation technologies

### Manageable renewables and storage

**EUR 1.5 Bn**



Hydro



Storage

Pioneers in flexible technologies  
and storage development

### Customers and Route to Market

**EUR 2.5 Bn**

Long-term revenue visibility

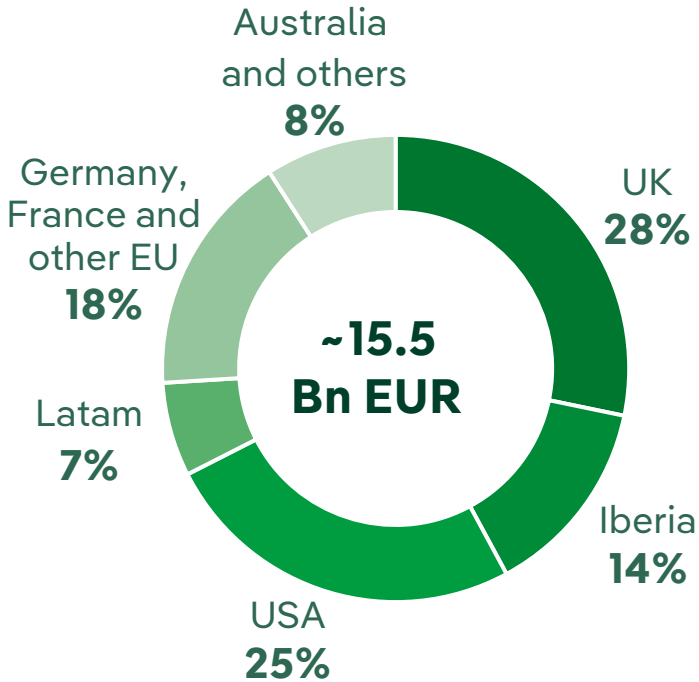
European leader in PPAs (2023)

>16M contracts in 2023  
Leader in self-consumption in Spain  
Largest public charging network in Spain

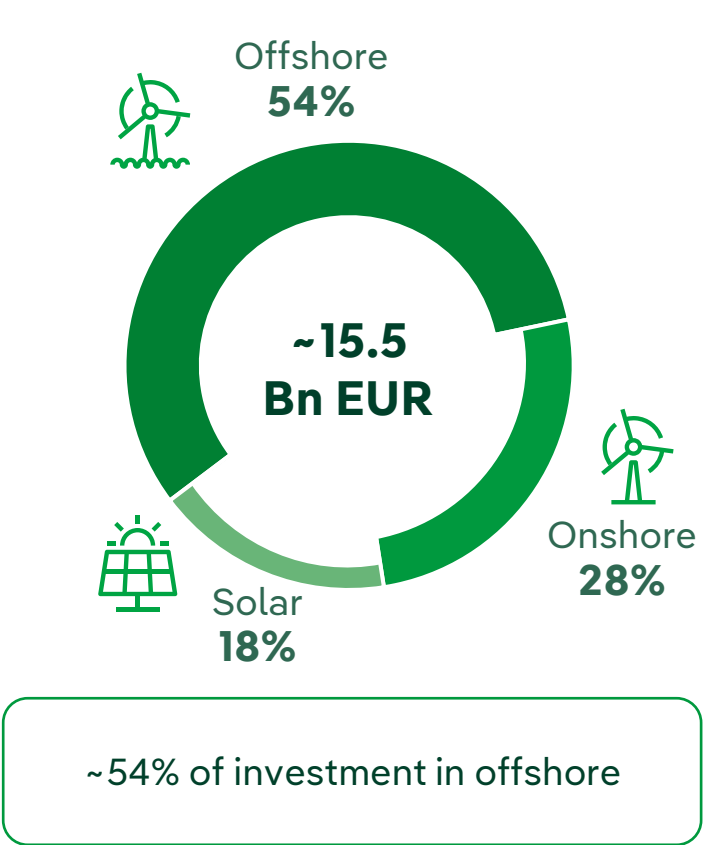
Industrial solutions driving  
decarbonization of demand

EUR 15.5 Bn in renewable investments in projects selected based on value creation

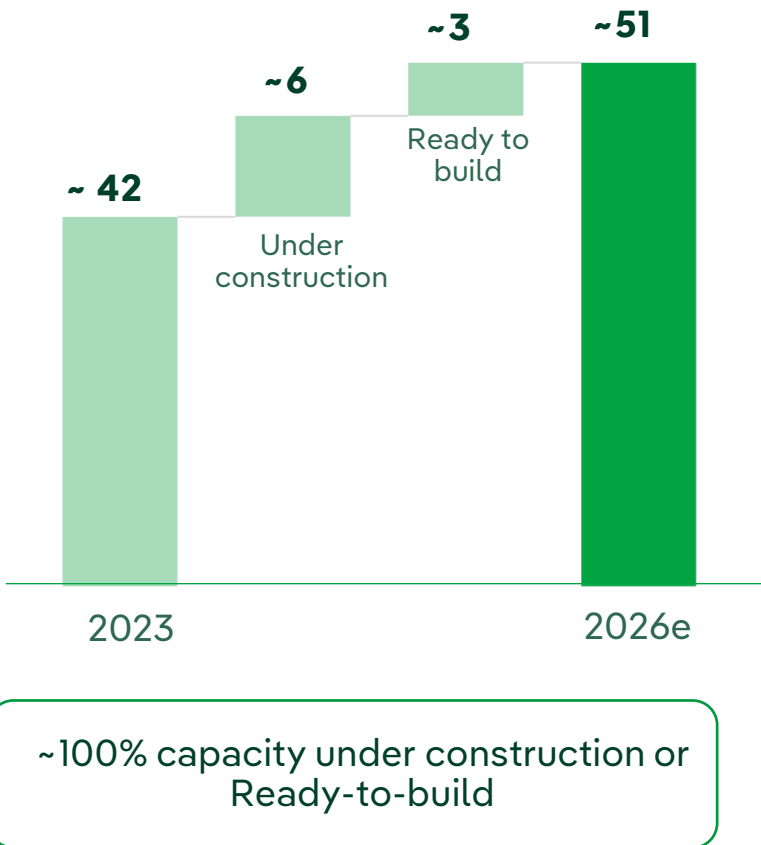
Gross capex by geography



Gross investment by technology

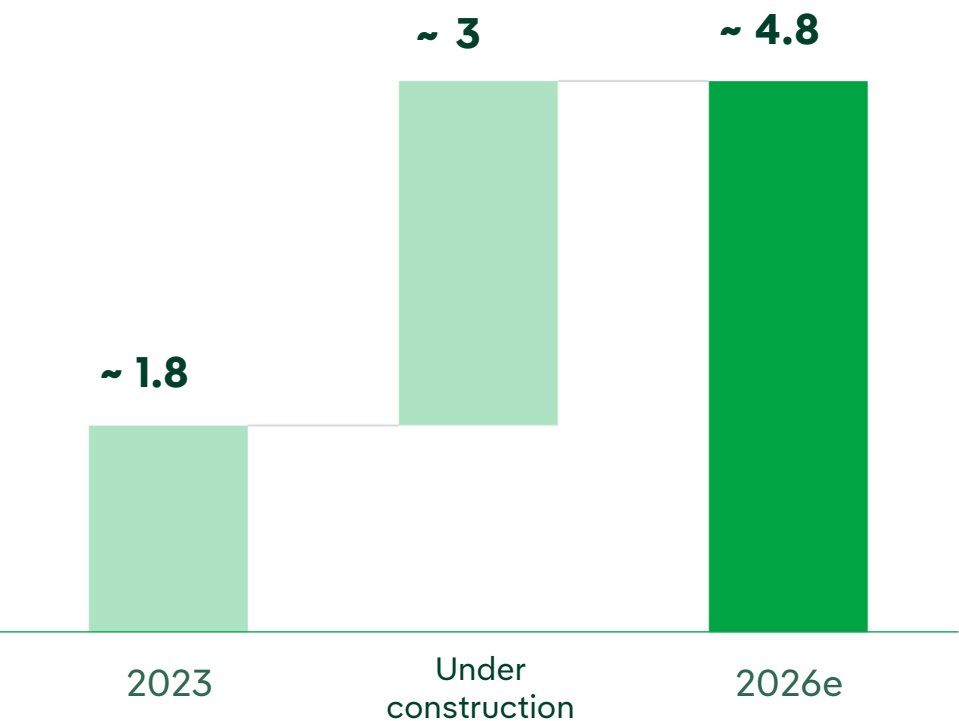


Capacity growth (GW)











## 2026 Plan closed with full visibility, 100% of projects under construction...

### Offshore growth plan (GW)



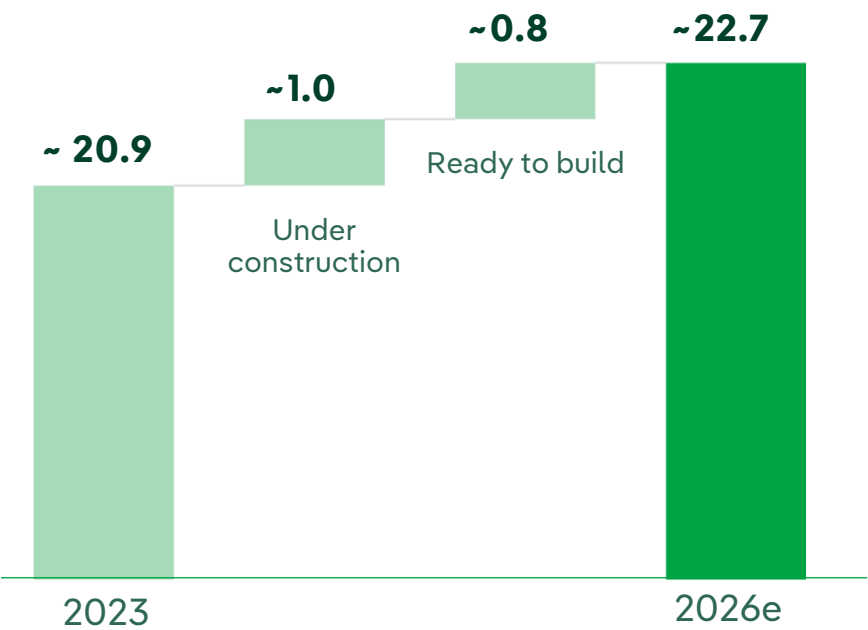
### Projects in operation by 2026

Project	Capacity	Status	Revenue Mechanism
 WoDS	194 MW	In operation	ROC (RPI indexed)
 EA1	714 MW	In operation	CfD (CPI indexed)
 Wikinger	350 MW	In operation	Feed-in Tariff
 Saint Brieuc	496 MW	In operation	Feed-in Tariff (CPI + index. Labour cost)
 Baltic Eagle	476 MW	COD 2024	Corporate PPA
 Vineyard Wind	806 MW	COD 2024	ITC, Utility PPA, Escalator
 Windanker	315 MW	COD 2026	Corporate PPA
 EA3	1,397 MW	COD 2026	CfD (CPI indexed)

...reaching EUR 1.8 Bn EBITDA in 2026 (additional EUR 1.0 Bn vs 2022/2023)

Increasing our onshore wind capacity base...

Onshore growth plan (GW)

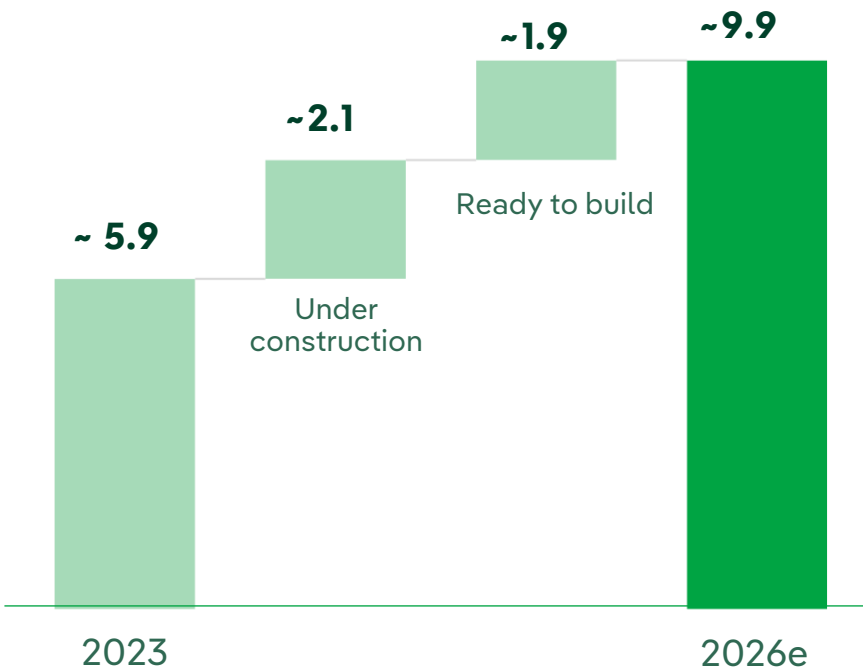


Projects in operation by 2026				
Country	Project	Capacity	COD	Status
Iberia	El Escudo	105 MW	2024	Under construction
	Finca San Juan	17 MW	2025	
	Tâmega eólico	274 MW	2026	
USA	Pontotoc	148 MW	2025	Under construction
	Osagrove	153 MW	2026	
UK	Killgalloch	51 MW	2025	Under construction
	Cumberhead West	113 MW	2025	
	Hagshaw Hill Repower	80 MW	2025	
Australia	Flyers Creek	145 MW	2024	Under construction
Australia Iberia Greece UK Italy	Callide Arecleoch Ammouda y Neraides ....	~800 MW	2025-2026	Ready to build

...with ~60% of the plan under construction and the remaining with projects ready to build

Selective growth and revenue based on pre-allocation of PPAs and firming sales...

Solar growth plan (GW)

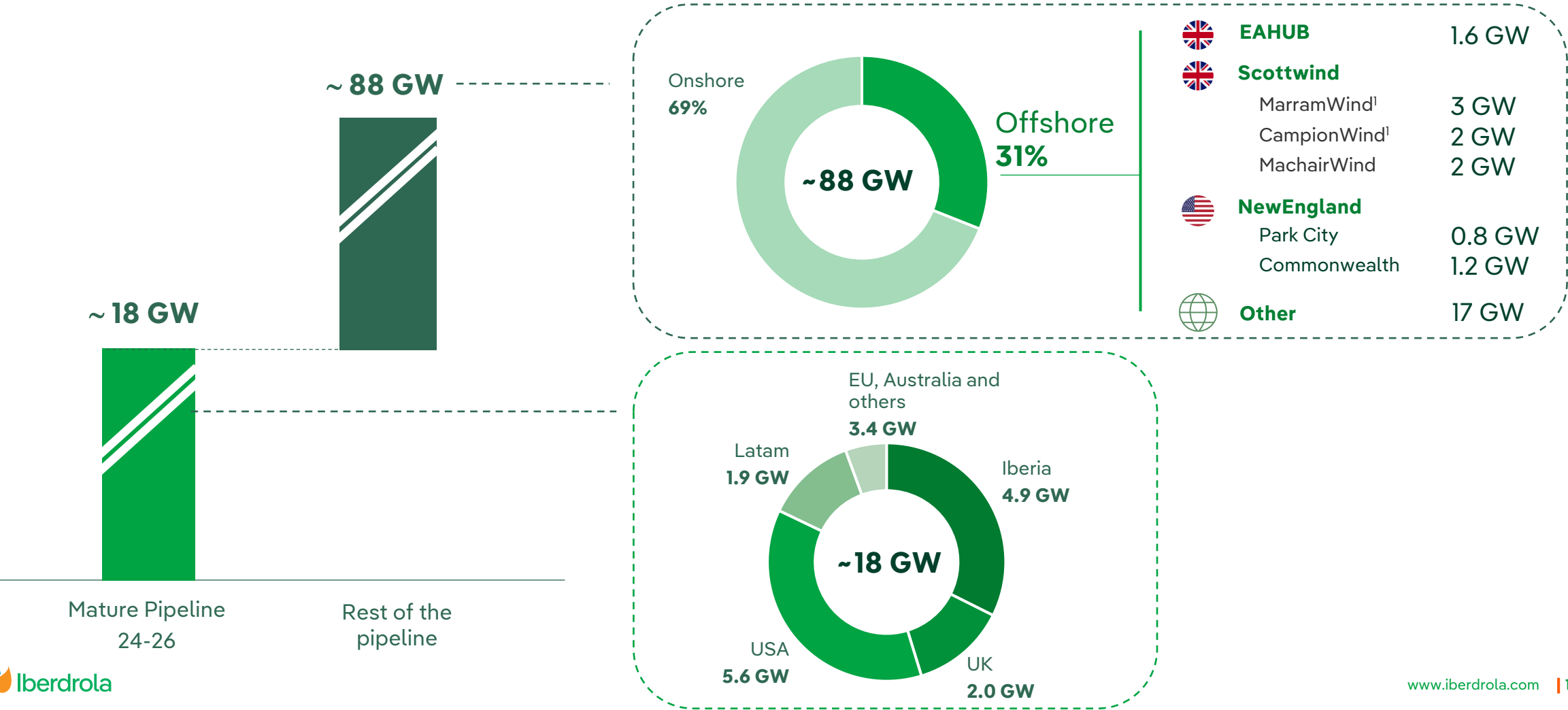


Projects in operation by 2026

Country	Project	Capacity	COD	Status
Iberia	Tagus	380 MW	2024	Under construction
	Caparacena	330 MW	2024	
	Others	193MW	2024 - 2025	
USA	True North	285 MW	2024	Under construction
	Powell Creek	202 MW	2024	
	Others	273 MW	2024 - 2025	
Italy	Fénix	247 MW	2025	Under construction
	Limes / Tarquinia	54 / 33 MW	2024	
Mexico	Agua Nueva	576 MW	2025	Ready to build
	Valtierra	208 MW	2025	
Australia	Broadsound	376 MW	2025	Ready to build
Germany Mexico Australia Italy	Brigstock Guaname ....	775 MW	2025 - 2026	Ready to build

...with ~55% of the plan under construction and the remaining with projects ready to build

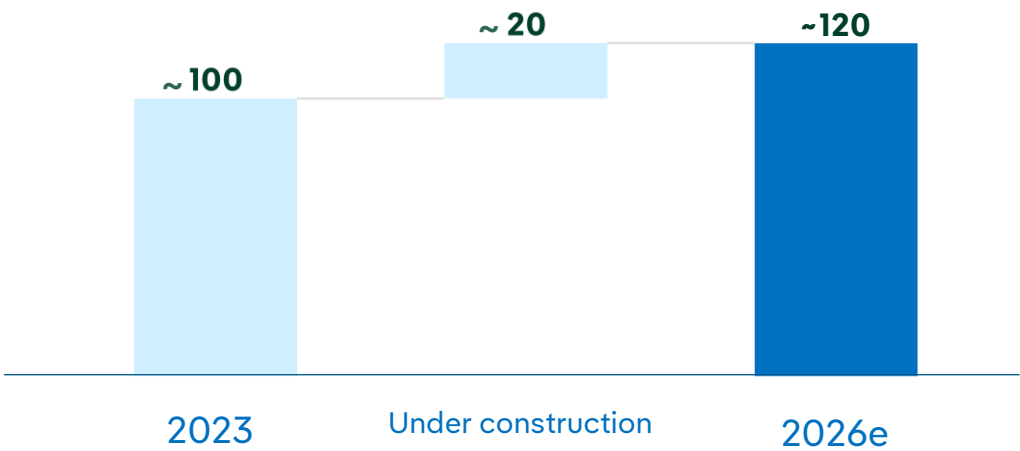
With a portfolio of >100 GW, providing us with the flexibility to selectively invest in different technologies and countries





Focus on storage, a key technology to provide flexibility in the markets

Storage growth plan (M kWh)



**Tâmega**  
Largest hydroelectric  
facility in Portugal



**La Muela II**  
Largest pumping  
facility in Europe

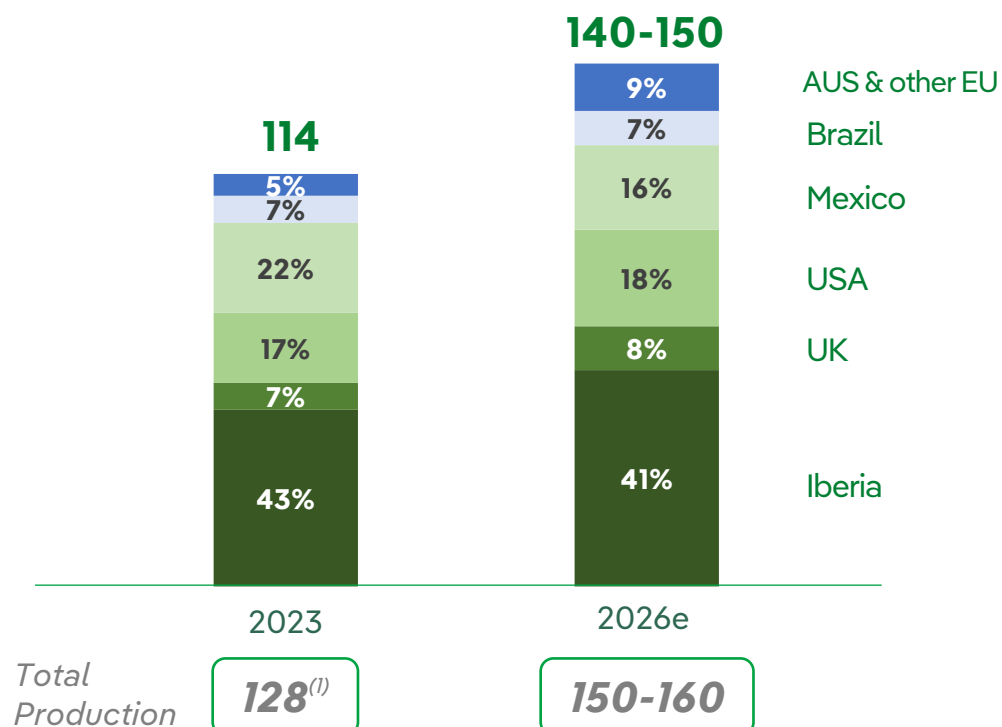


Projects

Project	Storage Capacity	Capacity	Status
La Muela I y II	~100M kWh	~4,200 MW	In operation
Gabriel y Galán y Guijo Granadilla			In operation
Torrejón – Tiétar			In operation
Aldeadávila II			In operation
Villarino			In operation
Puente Bibey			In operation
Conso I			In operation
Soutelo			In operation
Tâmega			In operation
Valparaíso	~20M kWh	408 MW	Under construction (COD 2024)
Santiago Jares			Under construction (COD 2024)
Torrejón Valdecañas			Under construction (COD 2026)

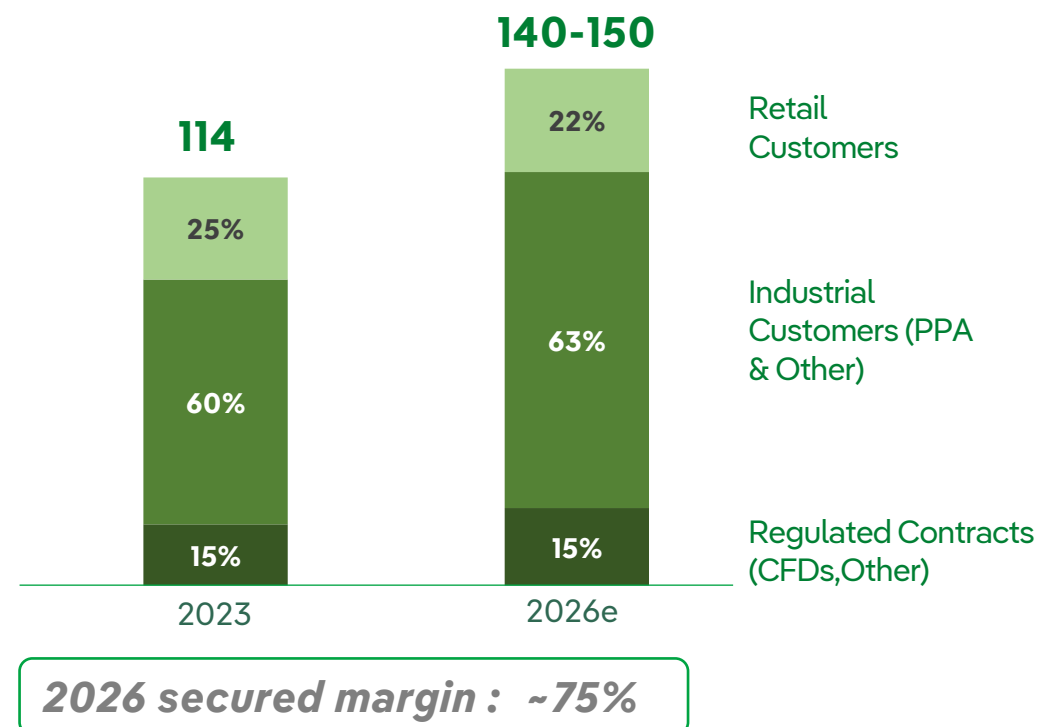
## Mid and long term secured contracted margins in all regions through diversified route-to-market

### Available production for sales (TWh)



Total production includes production available for sales plus production sold in ancillary services and other not exposed to forward markets

### Route to market (TWh)



## Long-term contracts that guarantee the viability of investments



More than 370 TWh committed to industrial customers worldwide up to 2030

- ✓ With contracts in all our markets: USA, UK, Brazil, Spain, Germany,...
- ✓ In addition, 150TWh are committed for the **post-2030** period



Iberdrola, leader in the European PPA market (\*)

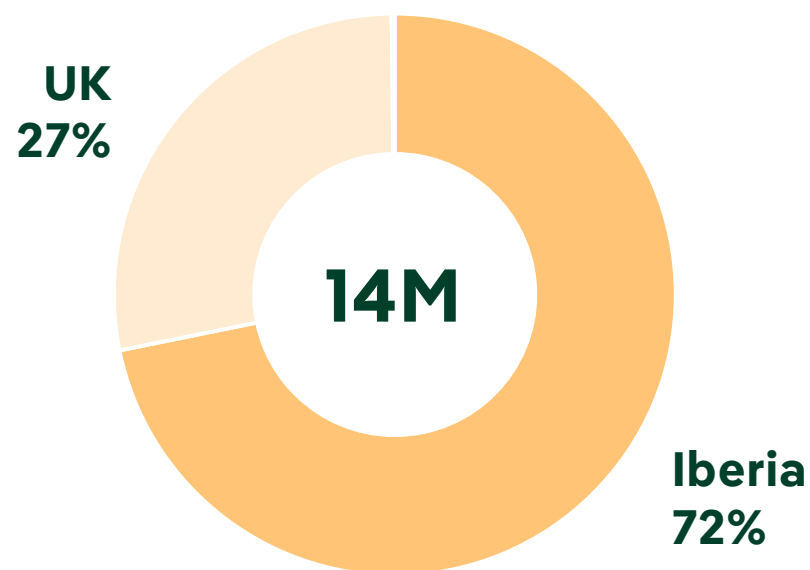


Alliances with our strategic clients



**Income stability thanks to 14 million electricity contracts in 2026 supplying 45 TWh/year in Iberia and United Kingdom...**

## Electricity contracts to 2026: 45TWh/year



## Competitive Advantages

- **First supply company in Iberia and Big Six in the UK**
- **Cost to serve ~30% more efficient** than peer average
- **Service Excellence:**
  - Spain: #1 in customer service quality\*
  - United Kingdom: #1 in Citizens' Advice's ranking among the main suppliers
- **Digitalization and personalisation** of customer contact with more than 120 million personalized contacts per year

**...and in addition over 3 million gas contracts**

**Broad portfolio of Smart Solutions that build customer loyalty and add value:  
12 million Services in 2023...**



## Mobility

- ✓ >14k public charging points and 36k residential in 2023
- ✓ Public Charging Deployment: JV with BP
- ✓ Alliances with leading manufacturers



## Self consumption

- ✓ Market leader in Spain (40% market share)



## Domestic Heating

- ✓ 500GWh of current consumption for >150k customers



## Home & Services

- ✓ ~12 million customers with services

**...with strong growth reaching 16 million by 2026**

## Solutions Driving the Electrification of Industrial Demand



### INDUSTRIAL HEATING

Processes <200°C

- ✓ **20 current partners:** >4TWh of steam with projects to completely decarbonize their processes
- ✓ Portfolio of an additional 1.5TWh under negotiation



### DISTRICT HEATING

Areas of high  
population density and  
low temperature

- ✓ **Pioneers in Project Development in Spain: 2 projects underway**
- ✓ **Pipeline of ~40 projects (4TWh)** in the mature pipeline in more than 37 cities



### DATA CENTERS

Green energy in need  
of firming

- ✓ Iberdrola: **>7 TWh** contracted in USA, Spain, Germany, United Kingdom,... and with 1.5TWh under negotiation
- ✓ Alliances with the **main energy consumers** for Data Centers










Portfolio of projects for the commercialization of energy through green hydrogen, as long as the price of H2 guarantees profitability, supported by incentives when needed

- ✓ **Iberdrola** has 3 operational / under construction projects



- ✓ Advanced **H2 project portfolio** ready for investment decisions (Australia, USA, Iberia, Brazil...)
- ✓ Agreements with **strategic customers** for the sale of the H2
- ✓ Supply chain **assurance agreements**

Project Portfolio		
Project	Production (tH2/year)	Status
 Puertollano	2,200	In Operation
 Barcelona I	275	In Operation
 Benicarló	150	Under construction
 Cromarty	1,650	Funds awarded
 Whitelee	1,100	Funds awarded
 Metanol Green Meiga	16,500	Funds awarded
 Palos	22,000	EU approval pending fund allocation from Spain
Other (AUS, US, IBE, BR...)	>100,000	Under study

This project has already been selected to receive EU funds, and it is just pending on the allocation of the funds by the Spanish government.

**~85% of critical supplies of networks and renewables are secured to comply with the Plan...**



**Centralized procurement**



**Global procurement volume  
and standardization**



**EUR 18 Bn of contracts  
awarded in 2023**



**Strategic equipment** secured through long-term contracts



**Competitive prices** based on aggregate volume and bargaining power with strategic suppliers



Commodity, inflation and exchange rate **risks covered**



**90% strategic equipment** are covered until 2026



**100% main contracts for offshore wind closed, up to 2026**



**~ 75% contracted onshore wind turbines** until 2026

- Advanced negotiations for the remaining 25%







**100% Panels contracted** until 2025

**...minimizing the impact of commodities and inflation**



## 2024-2026 plan targets are guaranteed thanks to the visibility of our business and our risk minimization strategy

-  ~**80%** of investments in **Networks** under agreed frameworks or at advanced stage of negotiation and known conditions
-  ~**100%** of the new **capacity** additions is under construction or ready to build
-  ~**85%** of the energy **margin** is secured
-  ~**85%** of the critical **supplies** are secured and with locked-in prices