

## **Legal Notice**

#### **RESULTS PRESENTATION NINE MONTHS 2021**

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# **Legal Notice**



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# Agenda

Highlights of the period





# 9M 2021 REPORTED NET PROFIT OF EUR 2,408 M (-10%) ADJUSTED NET PROFIT UP 5% TO EUR 2,688 M

#### Reported EBITDA grows 11% to EUR 8,165 M

Strong operating performance in USA and Brazil

### Record gross investments of more than EUR 7,000 M (+6%), 77% in international markets

- Renewables: ~3,750 MW installed in 12 months with 7,200 MW under construction
- Networks investments up 27% with increases in all countries

#### Consolidating growth platforms in core countries and new markets

- Offshore wind expansion: 2,900 MW secured to be operating in 2023-2026 in the US and Europe
- New Mexico utility (PNM Resources) transaction: closing expected before year end

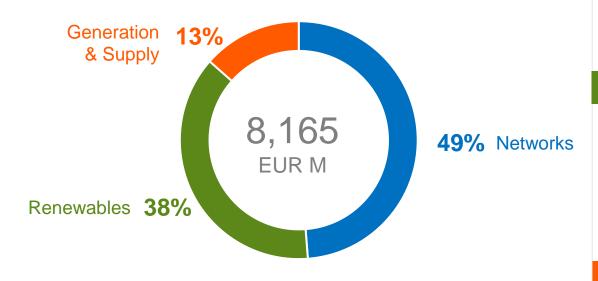
Business and financial profile protects from inflation and commodities

#### MAINTAINING INTERIM DIVIDEND OF EUR 0.168 PER SHARE



### REPORTED EBITDA GROWS +11% DRIVEN BY US AND BRAZIL





#### **NETWORKS**

- New Rate Case in New York approved in November 2020
- •Brazil: Tariff increases, new transmission and Neoenergia Brasilia

#### **RENEWABLES**

- Additional capacity installed
- Onshore wind: higher production
- Offshore wind: East Anglia 1 fully operational in UK
- Asset rotation in Spain
- Reversal of levies in Spain

#### **GENERATION AND SUPPLY**

 Negative impact of higher energy prices in UK and Spain, and new tax charges in Spain

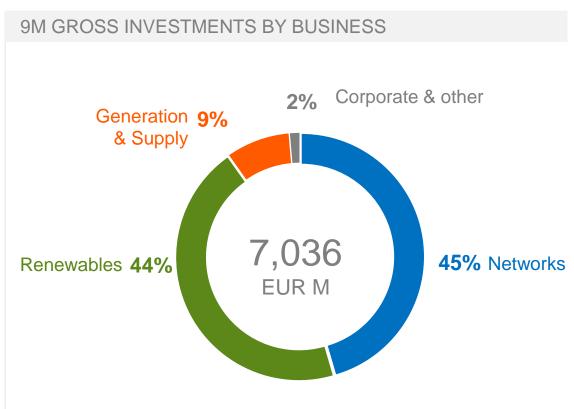
**EXCHANGE RATE IMPACT OF EUR -260 M AT EBITDA LEVEL** 





# GROSS INVESTMENTS UP 6% TO EUR 7,036 M WITH 77% IN INTERNATIONAL MARKETS





#### ... MORE THAN ~90% ALLOCATED TO NETWORKS AND RENEWABLES



# **Investments - Renewable capacity**



# ~3,750 NEW MW IN OPERATION IN THE LAST 12 MONTHS...

NEW INSTALLED CAPACITY BY TECHNOLOGY (Y-o-Y)				
	Onshore wind	<b>1,228</b> MW		
	Solar PV	<b>1,519</b> MW		
	Hydro (Tâmega Pumped Storage)	880 MW		
	Batteries	<b>112</b> MW		
	Total	<b>3,739</b> MW		

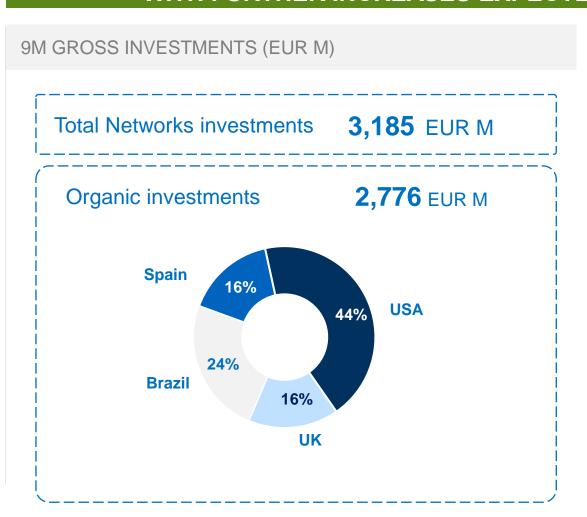
CAPACITY	UNDER	CONST	RUCTIO	ON BY (	GEOGR.	APHY		
<b>●</b> USA	300	1,600	800			2,700	37%	France 7%
(h) IEI	200	975	550	275	50	2,050	28%	Germany 7% Portugal 6%
Spain	375		1,125			1,500	21%	Australia 5%
S Brazil	750		150			900	12%	
UK			25		50	75	1%	
Total	1,625	2,575	2,650	275	100	7,225		

... WITH MORE THAN 7,200 MW UNDER CONSTRUCTION (2,600 MW OFFSHORE WIND)





# **NETWORK INVESTMENTS UP 27%** WITH FURTHER INCREASES EXPECTED FROM NEW TARIFF FRAMEWORKS...



#### **BRAZIL**

- Tariff readjustments reviews in Neoenergia Coelba and Neoenergia Cosern (April) and Neonenergia Elektro (August)
- Tariff review of Neoenergia Pernambuco (April) and Neoenergia Brasilia (October)

#### USA

- UI (Connecticut): Tariffs approved until 2023
- •NY Resiliency Bill with additional investments for storm hardening

#### **UNITED KINGDOM**

- RIIO-T2: expected CMA final determination before November
- •RIIO-ED2: Draft plans published for final submission in December 2021

#### **SPAIN**

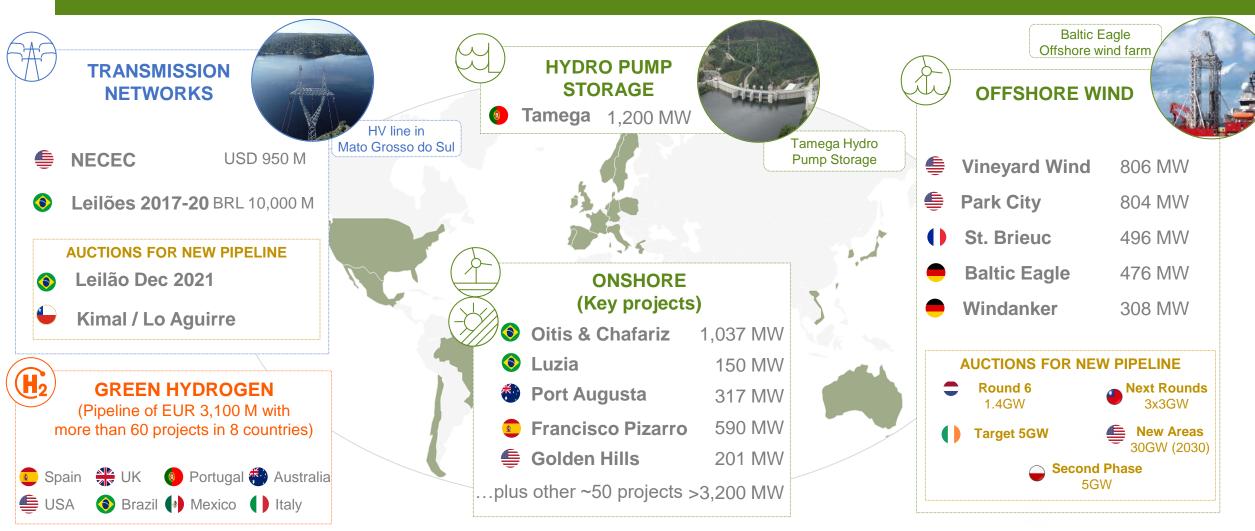
• After the last regulatory review, rate of remuneration reduced to 5.58% pre-tax up to 2025



# **Growth platforms**



#### CONSOLIDATING GROWTH PLATFORMS IN CORE COUNTRIES AND NEW MARKETS...



...AND INCREASING RENEWABLE PIPELINE UP TO 82 GW



### ACCELERATING OFFSHORE WIND EXPANSION IN EUROPE, USA AND ASIA

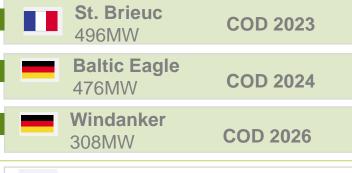
# USA **EUROPE**

 Execution of preferential right for Windanker wind farm in Baltic Sea  Agreement with CIP: Avangrid taking control of mature windfarms and 534s rest of zone

**ASIA** 

 New Asia-Pacific Hub covering Japan, Taiwan, South Korea, ...

**Projects** secured



**Vineyard Wind 1** COD 2023-24 806MW **Park City Wind** COD 2025-26 804MW

New opportunities



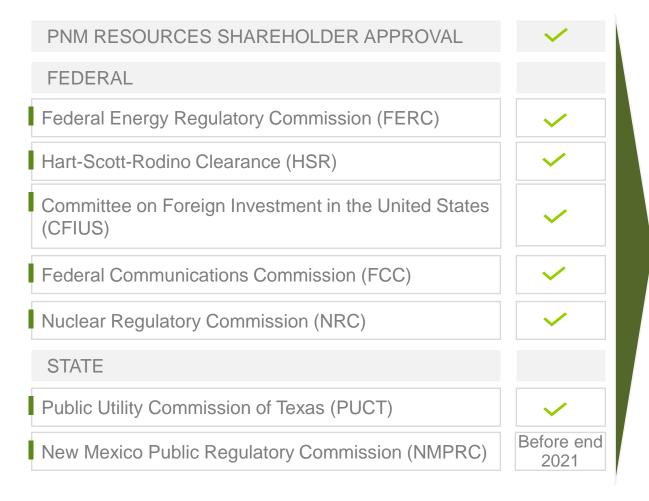
Commonwealth **Massachusetts** Bids submitted up to 1.2 GW (534 zone) Rhode Island Ready for upcoming auctions **New York** (534 zone) Connecticut **Kitty Hawk** Seabed rights (North 2.5 GW Carolina) awarded







# NEW MEXICO UTILITY (PNM RESOURCES): TRANSACTION CLOSING EXPECTED BEFORE END 2021



Stable regulated income from two expanding states, New Mexico and Texas...

...with additional opportunities in transmission and renewables...

...and a strong management team



# ENERGY PRICES ENVIRONMENT: EUROPEAN RESPONSE MORE RENEWABLES, MORE CLEAN INVESTMENTS AND LESS DEPENDENCY ON IMPORTED FOSSIL FUELS

**EU Communication on energy prices (2021 - 660)** 

Gas prices, main cause of high wholesale electricity prices affecting Europe

**EU Emissions Trading System** works properly

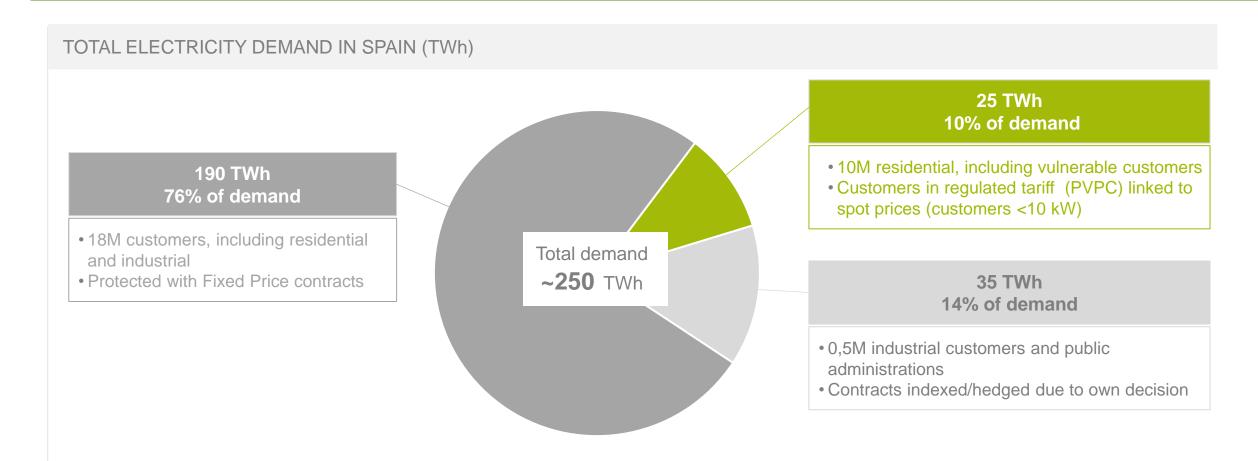
**EU market design**: marginal pricing market and non-discrimination among technologies

**Protection of vulnerable consumers:** using revenues from CO2 or national budgets

Supporting businesses through bilateral contracts and reasonable prices



### **ENERGY PRICES ENVIRONMENT: SITUATION IN SPAIN**



IBERDROLA CUSTOMERS ARE BENEFITING FROM FIXED PRICES, REDUCING THEIR ENERGY COSTS BY EUR 2 BN VS. SPOT PRICES



# IBERDROLA BUSINESS AND FINANCIAL PROFILE PROTECTS FROM INFLATION AND COMMODITIES

~70% of revenues from A-rated countries in USD, EUR and GBP

~96% of production in Spain and UK already sold for 2022

Purchases for 2021-22 already hedged or closed, protecting from current supply-demand tensions and prices environment

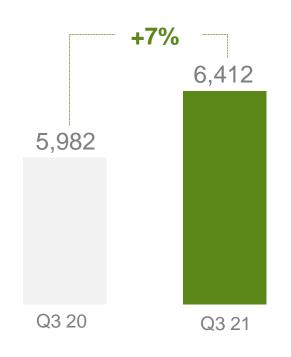
45% of operating margin protected from inflation

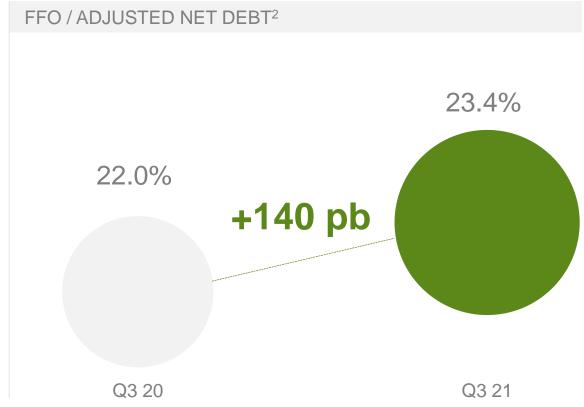
~70% of debt at fixed rates



# REAFFIRMING CREDIT RATINGS DRIVEN BY STRONG RATIOS AND THE RESILIENCY OF OUR BUSINESS MODEL







### EUR 35.8 BN IN GREEN / SUSTAINABLE FINANCING AND LIQUIDITY<sup>3</sup> REACHING EUR 19.1 BN



# A SUSTAINABLE STRATEGY BASED ON ELECTRIFICATION: FIGHTING CLIMATE CHANGE AND CREATING WEALTH AND JOBS IN OUR COMMUNITIES

Iberdrola, reaffirmed as a member of Standard & Poor's Global Clean Energy Index

Number 1 in the "Influence Map" climate policy engagement ranking

Zero emissions in 2030, 20 years ahead of European targets

Target for Scopes 1, 2 and 3 approved by the Science Based target Initiative aligned with 1.5°C

Protecting biodiversity in line with "No Net Loss" principle

Multiplying Renewable capacity 3x (to ~95 GW) and Network assets 2x (to EUR 60 Bn) by 2030...

... to increase the 400,000 jobs that Iberdrola sustains worldwide

IBERDROLA/SCOTTISH POWER, PRINCIPAL PARTNER OF COP26





Agenda

Analysis of results



# Tax impacts



# Three non-recurring tax impacts have been accounted for in 9M 2021:

**EUR -453 M** corresponding to **UK deferred taxes**, as a consequence of the decision of the UK Government to increase the corporate tax rate from 19% to 25%, effective from 1<sup>st</sup> April 2023.

Non-cash item\*, accounted for in Corporate Tax line.

EUR +382 M post tax due to the reversal of Spanish levies corresponding to years 2013 to 2016, after rulings from Courts. Accounted for in Levies and Net Financial Results.

**EUR -85 M** post tax corresponding to the **gas clawback.** RD 17/2021 approved by the Spanish Government on the 14<sup>th</sup> of September (15 days), also accounted as a levy.

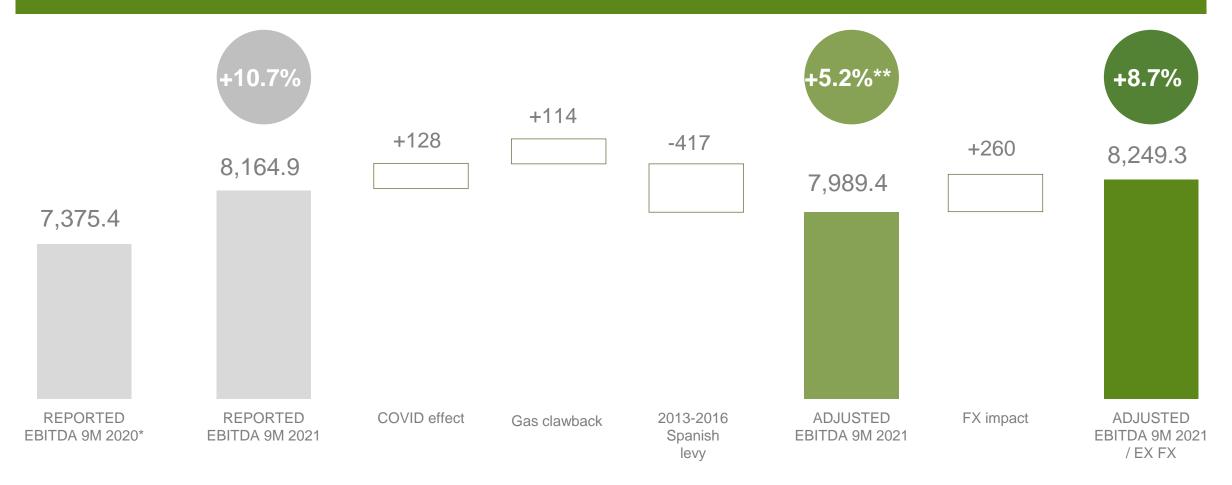
<sup>\*</sup> ScottishPower remains cash flow positive



# **EBITDA / Group**



# Adjusted EBITDA up 5.2%, to EUR 7,989.4 M,...



... and excluding FX is up 8.7%, reaching EUR 8,249.3 M

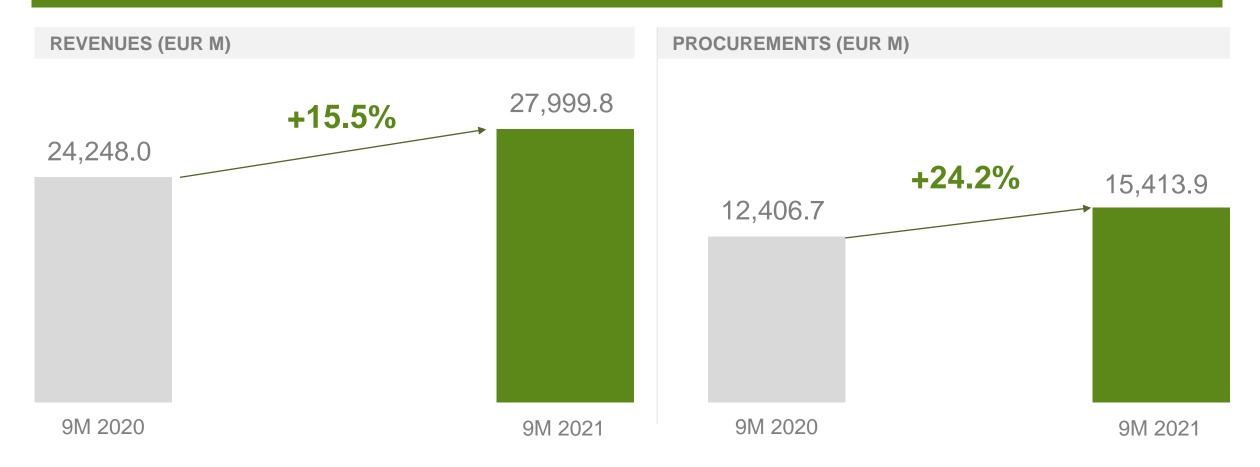
<sup>\*9</sup>M 2020 Reported EBITDA restated by reclassification of EUR +30 M from Non Recurring Results to Other Operating Income \*\* 9M 2020 Adjusted EBITDA excludes EUR -216 M of COVID impact



# **Gross Margin / Group**



Gross Margin up 6.3%, to EUR 12,585.9 M, with a negative FX impact of EUR -416 M ...



... and grows 8.9% excluding FX and COVID impact



# **Net Operating Expenses / Group**



**Net Operating Expenses** up 2.7%, to EUR 3,153.4 M, mainly driven by the contribution of new businesses (Brazil, Australia, France), with workforce growing by 9%,...

# **Net Operating Expenses (EUR M)**

	9M 2021	9M 2020	vs 9M'20 (%)
Net Personnel Expenses	-1,679.9	-1,595.7	+5.3%
Net External Services	-1,473.6	-1,475.1	-0.1%
Total Net Operating Expenses	-3,153.4	-3,070.8	+2.7%

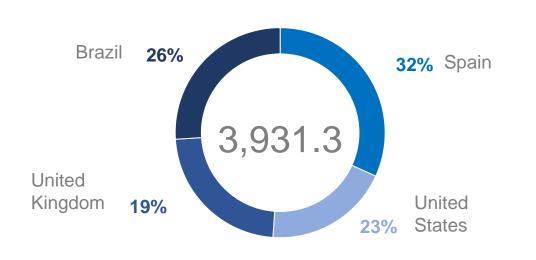
... that is partially compensated by fx impact and the contribution at Other Operating Income level of Spanish asset rotation

# **Results by Business / Networks**



### Networks Reported EBITDA grows 11.5%, to EUR 3,931.3 M ...

### **EBITDA BY GEOGRAPHY (%)**



### **KEY DRIVERS**

Strong operating performance in all geographies due to rate cases and higher investments...

... negatively affected by fx (EUR -178 M)

...and up 14.0% excluding FX and COVID impact



# **Results by Business / Networks**



SPAIN	<ul> <li>EBITDA EUR 1,250.3 M (EUR +44.8 M; +3.7%):</li> <li>EUR -22 M of lower remuneration established for 2021 in the regulatory framework (5.58%) compensated by higher investments.</li> <li>Settlements from previous years as a consequence of improvements in quality and operations: EUR +19 M.</li> <li>Net Operating Costs reduction driven by efficiency plans.</li> </ul>
BRAZIL	<ul> <li>EBITDA BRL 6,514.8 M (BRL +2,281.8 M; +53.9%):</li> <li>Positive impacts in Distribution, mainly as a consequence of tariff adjustments and inflation (BRL +1,833.3 M).</li> <li>Contribution from Neo Distribução Brasilia.</li> <li>Growing contribution from investments in Transmission (BRL +500.7 M).</li> </ul>
UNITED STATES	EBITDA IFRS USD 1,077.9 M (USD +141.2 M; +15.1%), EBITDA US GAAP USD 1,152.1 M (+14.5%):  • USD +187.0 M driven by rate case increase, linked to higher investments, and recognition of past costs.
UNITED KINGDOM	EBITDA GBP 655.7 M (GBP +8.4 M; +1.3%):  • Higher asset base in Distribution.



# **Results by Business / Renewables**



### Renewables Reported EBITDA up 70.9%, to EUR 3,042.4 M,...

#### **EBITDA BY GEOGRAPHY (%)**



#### **KEY DRIVERS**

Production increases +12.7%, due to ...

... higher installed capacity: 37,481 MW (+10.4%) ...

and load factor: +4.5%

Asset rotation as a recurring business

2013-2016 Spanish levies reversal: EUR +417 M

... impacted by FX (EUR -48 M) and 2013-2016 Spanish levies reversal (EUR +417 M)



# **Results by Business / Renewables**



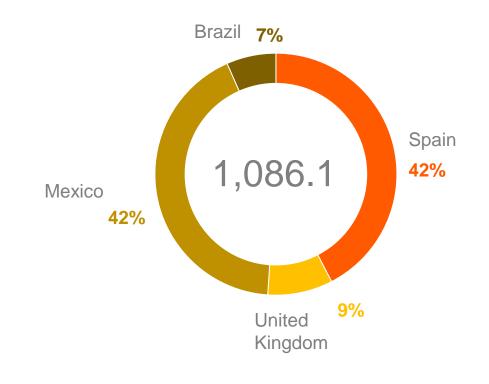
SPAIN	<ul> <li>EBITDA EUR 1,593.5 M (EUR +1,143.4 M; n/a):</li> <li>Higher output (+23.3%) driven by hydro (+30.9%), onshore (+6.9%) and PV production (+164.6%).</li> <li>Reversal of 2013-2016 levy (EUR +417 M).</li> <li>Contribution of asset rotation (EUR +170 M).</li> </ul>
UNITED STATES	<ul> <li>EBITDA USD 652.3 M (USD +137.7 M; +26.8%):</li> <li>Positive impact of Texas cold snap and new installed capacity: +307 MW.</li> <li>Lower output (-2.8%), due to lower wind resource vs 9M 2020 (-6.1%).</li> </ul>
UNITED KINGDOM	<ul> <li>EBITDA GBP 369.7 M (GBP -73.1 M; -16.5%):</li> <li>Onshore production decreased (-24.7%), driven by the lowest wind levels in 30 years, partially compensated by higher offshore (+16.6%).</li> </ul>
IBERDROLA ENERGÍA INTERNACIONAL	<ul> <li>EBITDA EUR 264.4 M (EUR +30.8 M; +13.2%):</li> <li>Higher contribution from Australia, France and Poland.</li> <li>Lower production from Germany.</li> </ul>
BRAZIL	<ul> <li>EBITDA BRL 688.2 M (BRL +239.0 M; +53.2%):</li> <li>Positive impact of settlements in hydro concession agreements to recover costs from previous years.</li> <li>Higher wind resource:+5.6%.</li> </ul>
MEXICO	EBITDA USD 124.2 M (USD +62.0 M; +99.7%):  • Higher average operating capacity (+533 MW, +67.6%).

# **Results by Business / Generation and Supply**



# **Generation and Supply Reported EBITDA** falls -44.7% to EUR 1,086.1 M, ...

#### **EBITDA BY GEOGRAPHY (%)**



#### **KEY DRIVERS**

Lower thermal output...

... higher wholesale prices negatively affecting Spanish and UK business...

... cold snaps impacting Spain, Mexico and IEI in Q1 2021...

... and the negative effect of Spanish gas clawback

... and -37.4% excluding FX (EUR -38 M) and COVID impact on demand (EUR -81 M)



# **Results by Business / Generation and Supply**



#### **SPAIN**

#### EBITDA EUR 467.7 M (EUR -710.9 M; -60.3%):

- Output fall 4.4%.
- Higher wholesale energy purchases at higher prices vs 9M 2020, with output already sold at fixed prices.
- Gas clawback impact.

#### **MEXICO**

#### EBITDA USD 558.4 M (USD -84.1 M; -13.1%):

- Negative impact from Texas cold snap (USD -61.4 M).
- Increase of access fees. Gas costs not passed to tariffs yet.

#### UNITED **KINGDOM**

#### EBITDA GBP 82.9 M (GBP -53.8 M; -39.4%):

- Higher energy procurements at higher wholesale prices.
- Higher demand than forecasted, mainly due to weather conditions.

#### **BRAZIL**

#### EBITDA BRL 468.0 M (BRL +194.5 M; +71.1%):

Better performance from Termope CCGT.

#### **IBERDROLA ENERGÍA INTERNACIONAL**

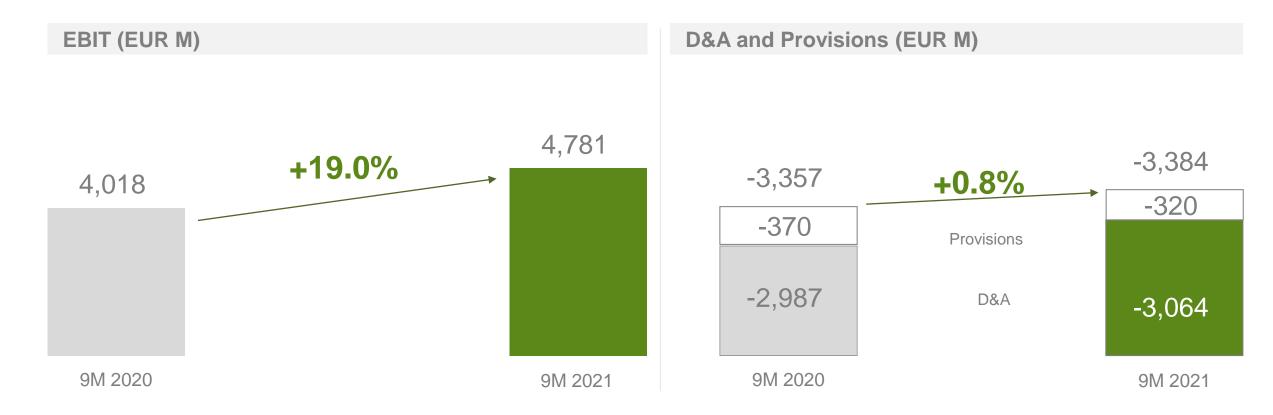
#### EBITDA EUR -20.3 M (EUR -28.9 M; n/a):

Affected by cold snaps and development costs.





# **EBIT** grows 19.0%, to EUR 4,781.1 M



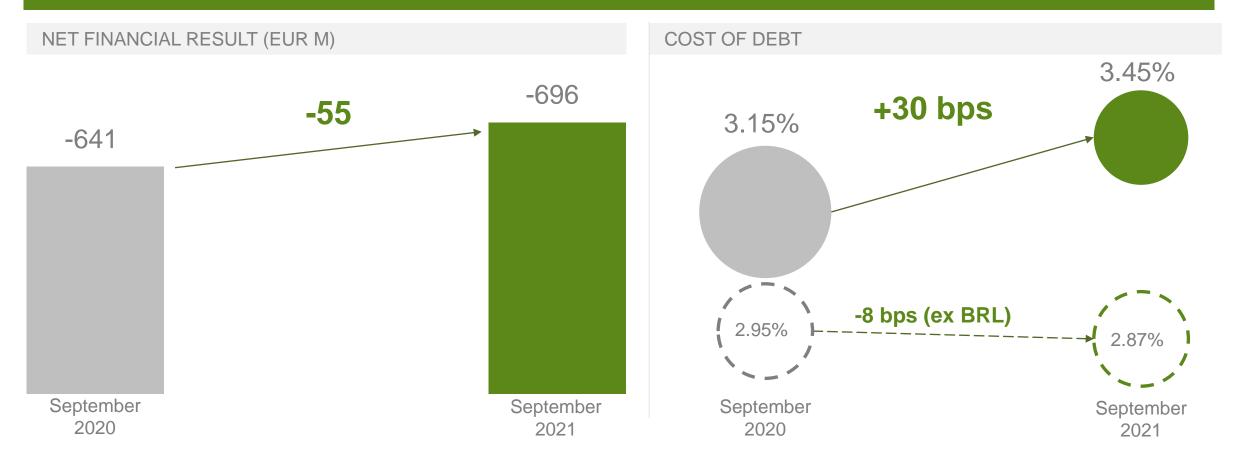
D&A up 2.6%, to EUR 3,064 M, and Provisions fall 13.5%, to EUR 320 M driven mainly by lower bad debt provisions related to COVID vs 9M 2020, as customer collections improve



# **Net Financial Results / Group**



**Net Financial Results** up EUR 55 M, to EUR 696 M, due to 2020 positive FX hedges, partially offset by positive one-offs (Spanish levy, Wallbox) and lower average debt

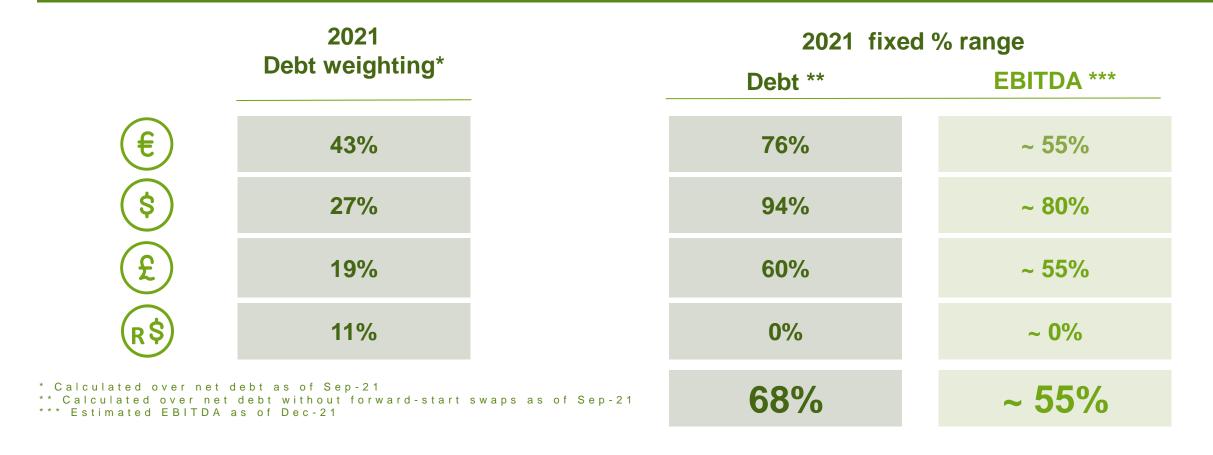


Inflation linked debt in Brazil drives an increase of 30 bp in cost of debt, more than compensated by revenues indexed to inflation at EBITDA level





Iberdrola Balance Sheet is well positioned to a rise in inflation. Average Debt maturity of over 6 years



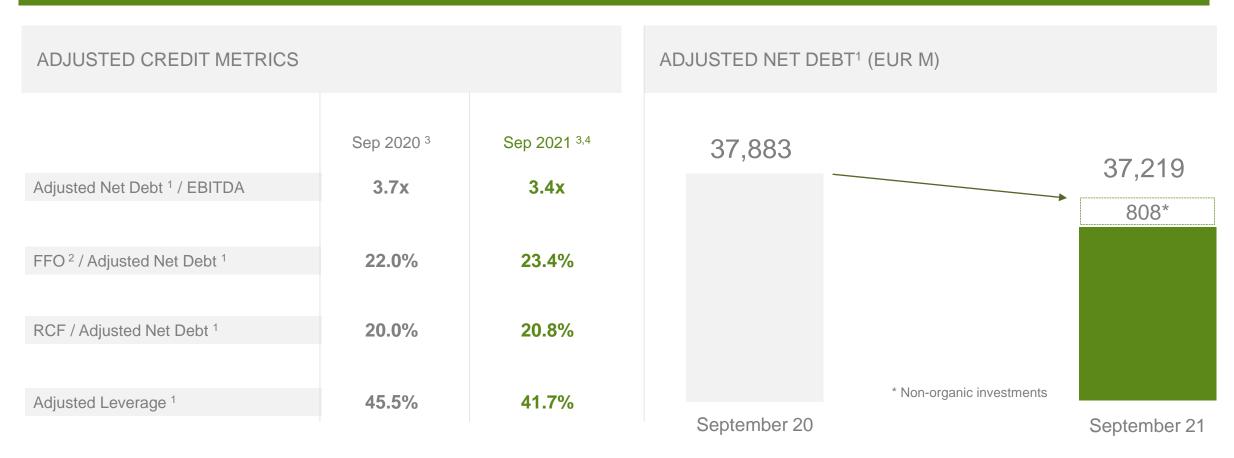
EUR 3.5 Bn in forward-start swaps



# Financial ratios and Adjusted Net Debt / Group



# Solid financial position, with improvement of key credit metrics ...



# ... with 12 months FFO reaching EUR 8.7 bn (+4.7%)



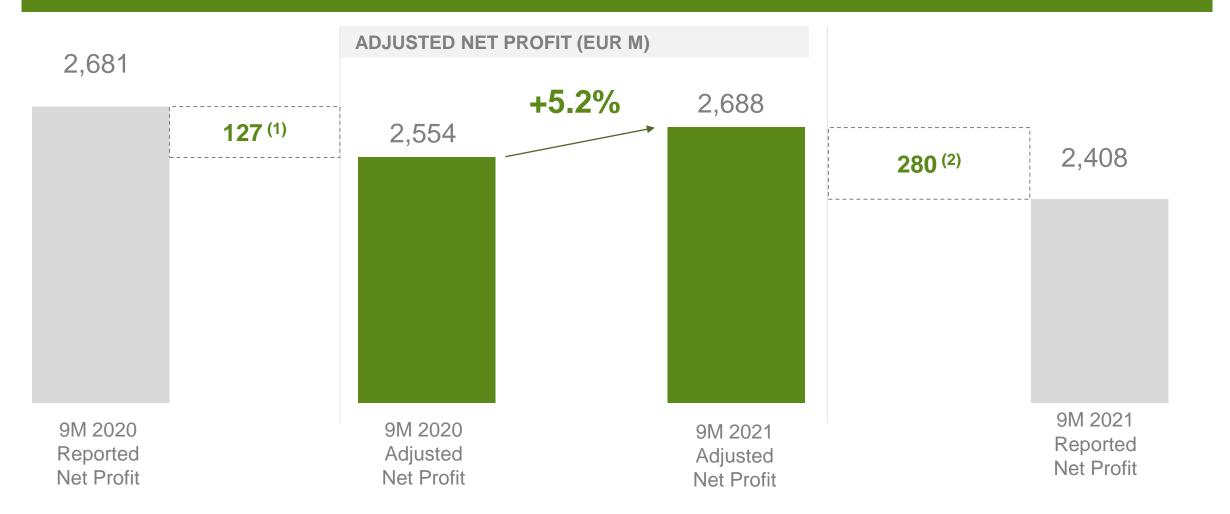
<sup>1)</sup> Adjusted for the market value of potential treasury stock accumulators that are "out of the money" (EUR 961 M as of Sep 20 and EUR 4 M as of Sep 21)

<sup>2) 12</sup> M FFO adjusted by efficiency plans, group incorporations and fiscal deduction of goodwill amortization

<sup>3)</sup> Excluding provisions for efficiency plans

Proforma including Infigen, Neoenergia Brasilia and Poland

# Adjusted Net Profit up 5.2%, to EUR 2,688 M ...



... and EUR 2,408 M of Reported Net Profit, affected by the increase in UK Corporate Tax Rate (non cash item)





Agenda

Conclusions





#### STRONG PERFORMANCE IN NINE MONTHS ALONG WITH...



**Additional capacity** 

~4,000 MW in FY2021



New Rate Cases in the US

Tariff increases and consolidation of Neoenergia Brasilia in Brazil



**Maintaining Financial** Strength

...ALLOW US TO REAFFIRM OUR OUTLOOK FOR 2021



#### MAXIMISING VALUE TO ALL OUR STAKEHOLDERS



#### **CUSTOMERS**

- Benefiting customers with stable price contracts below current wholesale market prices (savings of EUR 2,000 M)
- Quality of service
- · Wide portfolio of smarts products and services



### **SUPPLIERS**

- Over EUR 9,000 M purchases awarded in nine months of 2021 for a total of EUR 22 Bn since 2020
- 70% of Iberdrola's 22,000 suppliers meet ESG criteria
- Supporting 400,000 jobs globally



### **EMPLOYEES**



- 99% of our employees have permanent contracts
- >50 hours of training
- "Escolas de Electricistas" in Brazil, promoting the role of women in the energy sector
- Diversity and inclusion initiatives

#### SOCIETY



- Annual tax contribution of over EUR 7,500 M (EUR 3,400 M in Spain)
- EUR ~300 M invested in R&D&I last year
- Co-leading the "Reskilling 4 Europe" program involving 15,000 jobs in Spain
- International **Volunteer Program** (10,000 participants)
- **Recognitions**: Leading InfluenceMap ranking, member of Standard & Poor's Global Clean Energy Index,...







Annex I: "Iberdrola Retribución Flexible" program January 2022



## "Iberdrola Retribución Flexible" program: January 2022

Last day to buy IBE shares Board of Directors: (i) formulation of and participate in scrip Closing prices the accounting statement accrediting and/or receive the considered for compliance with the requirements of Last day of rights dividend in cash article 277 LSC and (ii) ratification of determining the average - Delivery of shares trading period and the resolution to distribute the Interim price used to calculate - Announcement of capital - Payment of interim of the common Dividend adopted at the Board increase in BORME number of rights and dividend election period meeting held on 26-Oct. interim dividend amount 28, 29 and 30 Commencement 16 December December 3 of the trading of 24 January 7 January **February** the newly issued and 4 January shares **Trading period February** 31 5 January 10 January 26 October January - Closing of scrip issue - Commencement of the - Board Agreement for the - Other relevant information (ORI) - Chairman and CEO sets interim execution of the capital trading period and of the dividend common election period increase and interim - Other relevant information (ORI) - Ex date (scrip and cash dividend payment - Publication of the number of dividend) rights/share and interim DPS





Agenda

Annex II



## **Group results**



For fiscal year 2021, IBERDROLA Group has changed the format of its income statement, eliminating the heading "Profit/(loss) on non-current assets"

The items that were previously included in this heading are now classified as follows:

- Gains or losses on disposals of fixed assets and on the loss of control of consolidated holdings are reported under the heading "Other operating income", included in EBITDA.
- Share of profit or loss and results from loss of significant influence of equity-accounted investees are presented under "Results of companies accounted for using the equity method".

In accordance with regulations, the above accounting criteria has been applied retrospectively to 2020, with no impact on net income for the period.

IBERDROLA has taken into account the format required in the periodic public information presented in accordance with CNMV Circular 3/2018, as to date a reconciliation of EBIT was required between the format historically used by the Group and the format required by said Circular. It also considers that the new criterion provides more useful information and that is more consistent with market standards.

In addition, the draft amendments to IAS 1 (IASB ED/2019/7 General Presentation and Disclosures) have been considered so that, if approved, future changes in the presentation of financial statements will be minor.



## **Income Statement / Group**



EUR M	9M 2021	9M 2020	%
Revenues	27,999.8	24,248.0	+15.5
Gross Margin	12,585.9	11,841.3	+6.3
Net Operating Expenses	-3,153.4	-3,070.8	+2.7
Levies	-1,267.5	-1,395.2	-9.1
EBITDA	8,164.9	7,375.4	+10.7
EBIT	4,781.1	4,018.1	+19.0
Net Financial Expenses	-696.0	-640.8	+8.6
Equity Results	5.0	465.2	-98.9
Taxes	-1,324.0	-954.5	+38.7
Minorities	-357.8	-207.1	+72.8
Reported Net Profit	2,408.2	2,681.0	-10.2
Adjusted Net Profit	2,687.9	2,554.0	+5.2
Operating Cash Flow	6,412.4	5,982.3	+7.2

Fx: USD -6.5%, GBP +2.1% and BRL -11.4%. With an impact of EUR -260 M at EBITDA level





Two main direct COVID impacts considered, totalling EUR 196 M in 9M 2021, demand (EUR 128 M) accounted for within EBITDA and bad debt (EUR 68 M) at EBIT

### DEMAND<sup>1</sup>

EUR M	Networks	Generation &Supply
SPAIN	-	17
UK	2	27
US	-	-
MEXICO	-	-
BRAZIL	45	-
IEI	-	37
TOTAL	47	81

### BAD DEBT<sup>2</sup>

Networks	Generation &Supply
-	18
-	12
18	-
-	-
10	-
-	10
28	40

<sup>1</sup> Accounted for within EBITDA

<sup>2</sup> Accounted for in Provisions

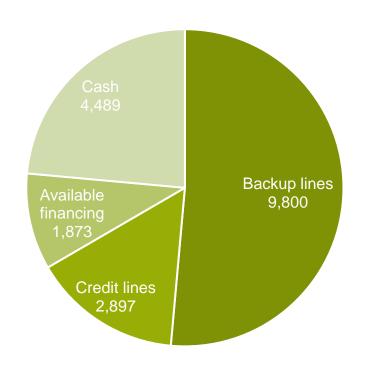
<sup>\*</sup> Differences may occur due to rounding

## **Liquidity and maturities**



## Adequate and diversified liquidity totals EUR 19.1 bn covering 19 months of financing needs







COMFORTABLE MATURITY PROFILE WITH AN AVERAGE DEBT LIFE ABOVE 6 YEARS



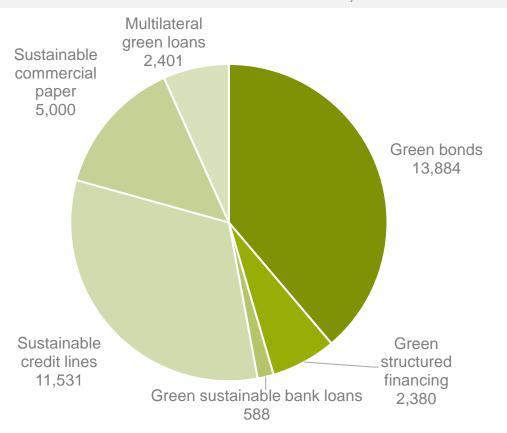
<sup>\*\*</sup> Including USD 400 M with and extension option for 1 or 2 years

## **Green/sustainable financing**

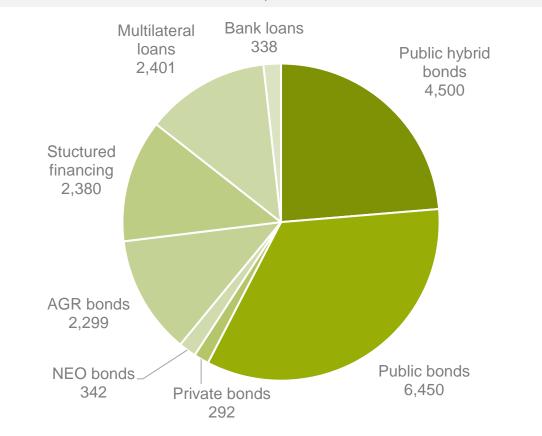


In 2021 Iberdrola signed EUR 7.9 bn of new sustainable transactions and EUR 5.3 bn of new green financing for a total of EUR 35.8 bn in green/sustainable financing\*

#### GREEN / SUSTAINABLE FINANCING: EUR 35,782 M



#### GREEN FINANCING: EUR 19,001 M



IBERDROLA REMAINS THE WORLD LEADING GROUP IN GREEN BONDS ISSUED





A Applied overede

## Iberdrola monitors all the relevant sustainability indicators in its business strategy and establishes parameters related to ESG criteria in its incentive plans

<b>Onvironmental</b>
Social
Governance

	2020	∆ Annual average 2016-2020¹
Own emission-free installed capacity (%)	79	+2.1%
Own specific CO <sub>2</sub> emissions (t/GWh)	98	-7%
Own specific CO <sub>2</sub> emissions in Europe (t/GWh)	64	-14.7%
Water use/overall production (m³/GWh)	434	-6,7%
Consumers (Million)	34.4	+1,0%
Employees (#)	37,127	+2.2%
Gender diversity (% women on workforce)	23	-
Injury rate <sup>2</sup>	1.2	-9.8%
Purchases from local suppliers (%)	89	+1.5%
a lista queta d Dana est		9

IBERDROLA 1 Data from 2020 Iberdrola's Integrated Report



## COMMITTED TO CREATE VALUE TO SHAREHOLDERS, EMPLOYEES, CUSTOMERS, AND THE SOCIETY

#### A LEADING BUSINESS MODEL FOR ALL STAKEHOLDERS...



#### **ENVIRONMENT**

*Pioneering commitment: Investing in renewable* energies and smart grids



#### **GOVERNANCE**

At the forefront of best international corporate governance practice



#### **SOCIAL**

Serving our customers & communities and building on our diversity and inclusion

### **FINANCIAL**

Maintaining strong performance and building shareholder value



#### ...WITH A TRACK RECORD OF RECOGNITION



**InfluenceMap** 

Dow Jones Sustainability Indices Powered by the S&P Global CSA

Sustainability Award Silver Class 2021









IBERDROLA







#### **KFY FSG+F**

- All our coal and fuel oil plants closed
- European emissions of ~50 g/kWh, in the 9M2021
- Largest corporate issuer of green bonds
- **Pioneer** in implementing **TFCD** recommendations
- Record purchases awarded since 2020: > \$22 Bn
- Supporting 400,000 jobs globally
- >50 hours of training
- Access to energy: "Electricity for all" program
- Governance and Sustainability system recognized worldwide
- Climate Action Plan included in By-laws
- Responsible supply with sustainability policies

MAIN SUPPORTER OF COP26 IN ORDER TO ACCELERATE SUSTAINABLE TARGETS





	Spain	UK	US	Brazil	Mexico	IEI	Total
Networks	444.9	448.0	1,213.8	1,077.9	_	-	3,184.6
Renewables	791.7	203.0	719.7	262.5	15.4	1,108.7	3,101.1
Generation & Supply	284.5	149.4	=	8.3	142.3	61.5	646.1
Other	71.9	22.7	2.3	5.5	1.8	_	104.2
Total	1,593.1	823.2	1,935.9	1,354.3	159.4	1,170.2	7,036.0



## 82% OF PLANNED CAPACITY TO 2025 IS ALREADY INSTALLED, UNDER CONSTRUCTION OR READY TO BUILD

RENEWABLE CAPACITY <sup>1</sup> I	NSTALLED, UND	ER CONSTRU	CTION OR REA	ADY TO BUILD	(MW)			
	2020	2021	2022	2023	2024	2025	Total	
Offshore wind	294			500	1,300	800	2,894	
Onshore wind	1,691	1,188	1,515	700	900	600	6,594	
Hydroelectric		998		200			1,198	
Solar PV	874	1,425	2,915	2,700	2,100	1,500	11,514	
Batteries	31	156	100	100	100		487	
Total	2,890	3,766	4,530	4,200	4,400	2,900	22,686	1
					Plan 20	20-2025	27,600	¦~8





## RENEWABLE CAPACITY INSTALLED, UNDER CONSTRUCTION OR READY TO BUILD (MW)

	<b>Æ</b>	<b>(2)</b>	(2)	*	<u></u>	
	-	287	-	600	-	887
4 N	294	44	-	-	6	344
<b>#</b>	_	468	-	-	-	468
	-	88	-	274	-	362
	-	-	-	-	-	-
	-	804	-	-	25	829
elles	294	1.690	-	874	31	2.890

		20	21		
<b>Æ</b>	<b>(2)</b>		₩		
-	68	-	984	8	1.060
-	36	-	11	98	145
-	235	-	299	-	534
-	11	-	-	-	11
-	482	-	-	-	482
-	356	998	130	50	1.534
-	1.188	998	1.424	156	3.766

		2	022		
<b>(25)</b>	<b>(2)</b>		*		
-	330	-	1.425	10	1.765
-	-	-	60	80	140
-	455	-	1.000	10	1.465
-	-	-	-	-	-
-	555	-	150	-	705
-	175	-	280	-	455
-	1.515	-	2.915	100	4.530

	<b>(25)</b>	<b>(2)</b>		*		
	-	200	-	1.500	-	1.700
<u> </u>	-	-	_	100	100	200
<b>#</b>	-	100	_	900	-	1.000
(-)	-	-	-	-	-	-
	-	-	-	-	-	-
	500	400	200	200	-	1.300
	500	700	200	2.700	100	4.200

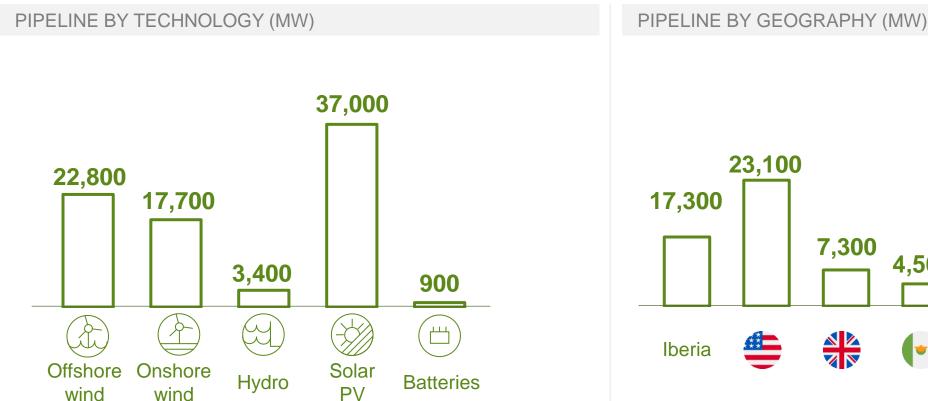
		24	20		
		*		<b>(2)</b>	<b>(25)</b>
1.500	-	800	-	700	-
200	100	-	-	100	-
1.500	-	700	-	-	800
-	-	-	-	-	-
400	-	400	-	-	-
800	-	200	-	100	500
4.400	100	2.100	-	900	1.300

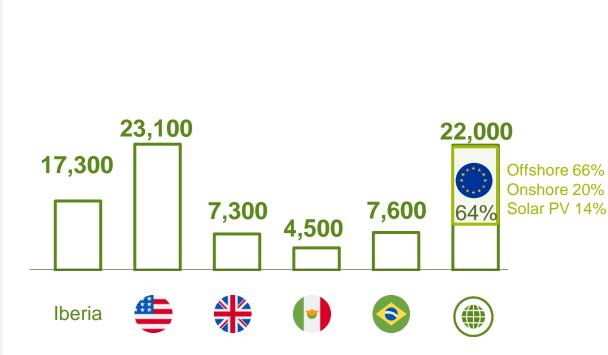
2025					
<b>(25)</b>	<b>(2)</b>		₩		
-	100	-	200	-	300
-	100	-	-	-	100
800	100	-	100	-	1.000
-	-	-	-	-	-
-	100	-	100	-	200
-	200	-	1.100	-	1.300
800	600	-	1.500	-	2.900





## HIGH QUALITY PIPELINE OF 81,800 MW WITH A SUCCESS RATE ABOVE 60%





**AROUND 15,000 MW WITH CONNECTION RIGHTS IN IBERIA AND** LAND USE RIGHTS FOR A SIMILAR CAPACITY





#### **AUCTIONS OFFER ADDITIONAL ROUTES Ibe project/Capacity** Auction **Type Auction Date** UK 4th Round CfD **Tariff EA Hub (3.1GW)** Q4 2021 - Q1 2022 Bid submitted for USA Massachusetts Tariff Q3 2021 up to 1.2 GW Rhode Island **Tariff** Q4 2021 **AUCTIONS** 534 Zone New York **FOR CURRENT** Tariff Q2 2022 (1.2GW) **PROJECTS** Connecticut Tariff 2023 Round 2 Seihoku-oki (600MW) 2022 Japan Seabed & Tariff Saga & Satsuma (1.2GW) Round 4 2023-2025 **Auction Date** Capacity **Auction Type New Areas** Seabed 2022-2025 Up to 30 GW USA East, West and Gulf Coast Seabed 7GW **AUCTIONS** Bight Area 2022 **FOR NEW PROJECTS**

Seabed

Scotwind



UK

10**G**W

Bid submitted

Q3 2021



## **AUCTIONS OFFER ADDITIONAL ROUTES**

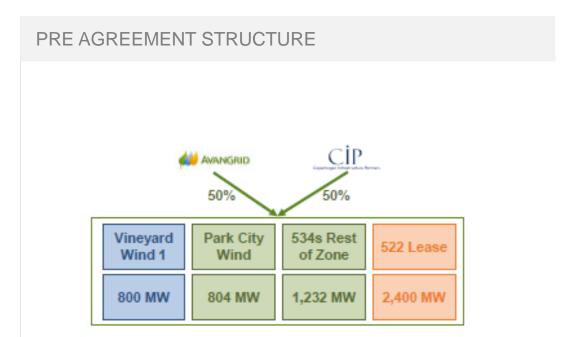
#### **Auction Date**

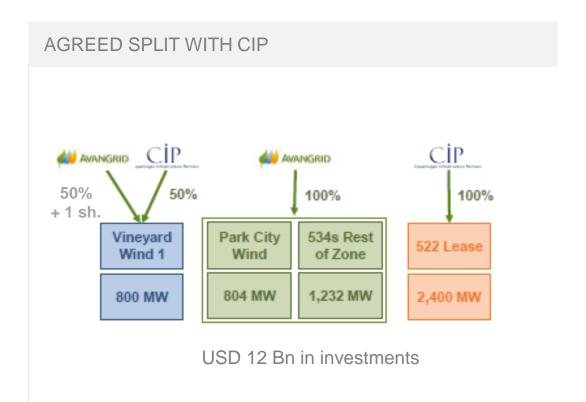
**AUCTIONS FOR NEW PROJECTS** 

==	Denmark	Round 5	Seabed & tariff	Q4 2021	Thor 1GW (COD 2026)
	France	Normandy Brittany	Seabed & tariff	Q1 2022 – Q3 2022	1.6GW (COD 2029/30)
	Netherlands	Round 6 2 projects x 700 MW	Seabed & tariff	Q1 2022	1.4GW
	Ireland		Tariff		5GW 2030 Country target
*	Taiwan	Round 3 – Phase 1	Seabed & Tariff	2022-2024	9 GW
# <b>•</b> #	South Korea		Seabed	2022-2024	12 GW 2030 Country target
	Poland		Seabed	2025-2027	5GW
*	Vietnam				2 GW 2030 Country target



# AS PART OF OUR CONTINUED ASSET REORGANIZATION STRATEGY IN A CORE BUSINESSES AND COUNTRIES...





...WE HAVE REACHED AN AGREEMENT WITH OUR PARTNER, CIP,
TO SPLIT THE OFFSHORE WIND ASSETS IN US





## **INCREASING DISTRIBUTED ENERGY IN ALL GEOGRAPHIES**

	9M 2021	9M 2020	% Var.
ELECTRICITY (GWh)			
Spain	68,690	65,538	+ 4.7%
United Kingdom	23,570	23,130	+ 1.7%
USA (1)	29,355	28,599	+ 2.6%
Brazil (2)	56,104	48,859	+ 14.9%
TOTAL ELECTRICITY	177,719	166,126	+ 6.9%
Gas (GWh)			
USA (1)	43,753	41,737	+ 4.7%
TOTAL GAS	43,753	41,737	+ 4.7%



<sup>&</sup>lt;sup>1</sup> 100% Avangrid inc., company 81.5 % owned by Iberdrola, S.A. <sup>2</sup> 100% Neoenergia, company 51.04 % owned by Iberdrola, S.A.



	Production sold forward		
	2021	2022	
	%	%	
Iberia	100%	94%	
UK	100%	100%	

Including retail roll-over contract production sold forward



## STABLE AND GEOGRAPHICALLY DIVERSIFIED RETURNS APPROVED THROUGH REGULATORY FRAMEWORKS



# LONG TERM REGULATORY FRAMEWORKS IN ALL JURISDICTIONS ARE THE FOUNDATIONS OF A BALANCED INVESTMENT MIX IN T&D ACROSS COUNTRIES





## ... ALONG WITH NEW TRANSMISSION PROJECTS



(NY)

•October 11th 2021 -offer submitted-.

•Bid submitted by NY Transco (Avangrid 20%) and

NYPA

•COD: 2027

•Capex: USD 3,600 M





Chile

• December 13<sup>h</sup> 2021 -offer submitted-.

• 1,500 km HVDC between Kimal and Lo Aguirre

Bid submitted jointly with Celeo (Elecnor and APG)

• COD: 2028

• Capex: USD ~2,500 M



• December 17th 2021

 5 lots in Amapa, Bahia, Minas Gerais, Paraná and Sao Paulo

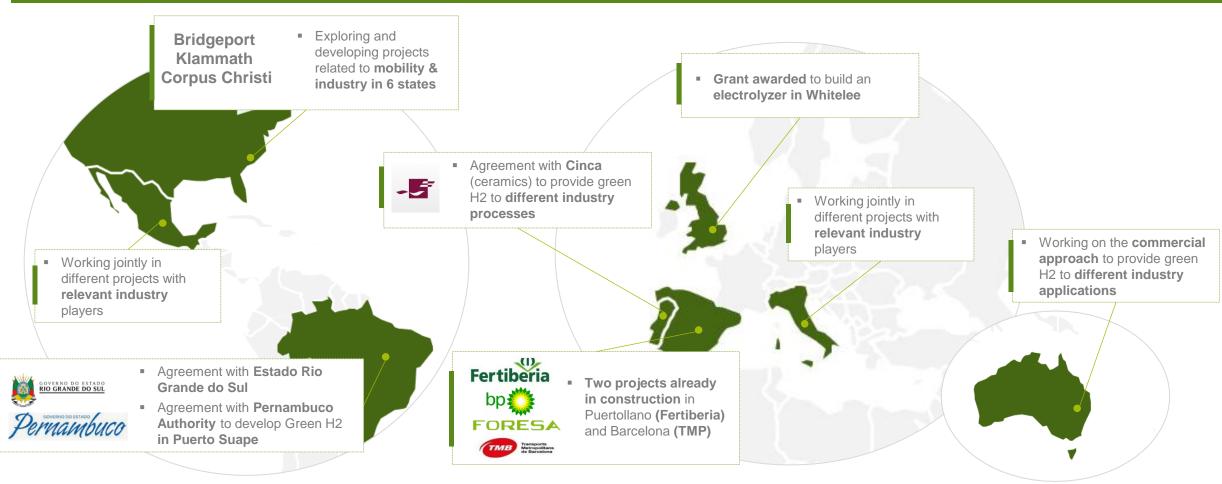
• COD: 2025

• Capex: BRL ~2,700 M





## MORE THAN 60 PROJECTS IN 8 COUNTRIES...



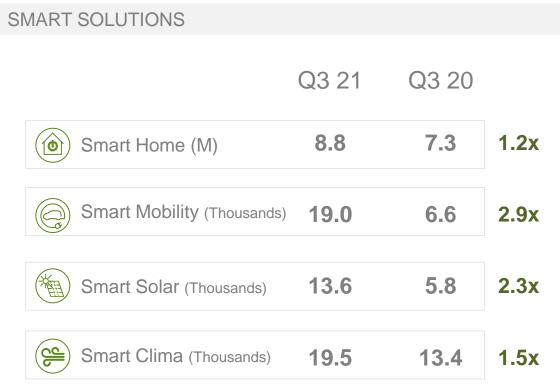
...AS PART OF OUR PIPELINE OF EUR 3,100 M UP TO 2030 FOR A TOTAL PRODUCTION OF 134,000 Tn/YEAR





## ADDING 1.8 MILLION NEW ENERGY CUSTOMERS IN THE LAST 12 MONTHS...





...AND EXPANDING OUR PORTFOLIO OF CUSTOMIZED SMART SOLUTIONS TO CUSTOMERS



# LEADING OR TAKING PART IN 175 PROJECTS WITH TOTAL INVESTMENTS OF EUR 30,000 M€ WITH KEY PARTNERS LIKE FERTIBERIA, VOLKSWAGEN-SEAT, IRIZAR, NAVANTIA, ...

Area	Initiative	Projects
	Floating offshore wind: Industrial scale farms + demos	7
	Pumped-hydro storage	6
	Solar PV national deployment plan	1
	Floating solar PV on hydroelectric dams	3
	Onshore wind: national deployment plan	1
	Wind blades recycling	3
	Smart networks: reinforcement, digitalization, resiliency and biodiversity	3
	Batteries: hybridization with renewable generation & batteries	17
	Heating electrification: heat pumps deployement for homes & industrial processes	34
*	Solar PV self-consumption in homes and commercial buildings	17
	Digital solutions for flexibility in homes	17





Area	Initiative	Projects
	Public charging infrastructure for electric cars	2
	Private charging infrastructure for electric cars	2
	National fast and superfast corridors for electric vehicles	2
	I+D+i in charging infrastructure	1
	Urban electric buses	2
	Intercity electric buses	1
	I+D+i in electric buses	2
	<b>Green ammonia for fertilizers (Fertiberia):</b> 4 phases in Puertollano (Ciudad Real) and Palos de la Frontera (Huelva). 830 MW electrolysis	4
	Industrial processes: 70 MW electrolysis	27
(H <sub>2</sub> )	Logistic corridors for heavy duty transport and ports. 115 MW Electrolysis	22
(IA)	Artificial Intelligence for Sustainable Energy Transition	1
	TOTAL	175