Factbook 2025

Investor Relations

June 2025

Content

All figures as of December 2024, except otherwise stated. Differences may arise due to rounding

Iberdrola Group: Corporate Purpose

To continue building, every day and in collaboration, a more electric, healthier and accessible energy model

A real and global energy transition

- ✓ Boosting decarbonisation and electrification of the energy sector, and the economy as a whole
- ✓ Contributing to the fight against climate change
- ✓ Generating new opportunities for economic, social and environmental development

An energy model that is more electric...

- ✓ Abandoning fossil fuels
- ✓ Generalising renewable energy sources, the efficient energy storage, smart grids and digitalisation

...healthier for people

- ✓ Being aware that short-term health and well-being of people depends on the environmental quality of their surroundings

...more accessible for all

- ✓ Creating a society that favours inclusion, equality, equity and development

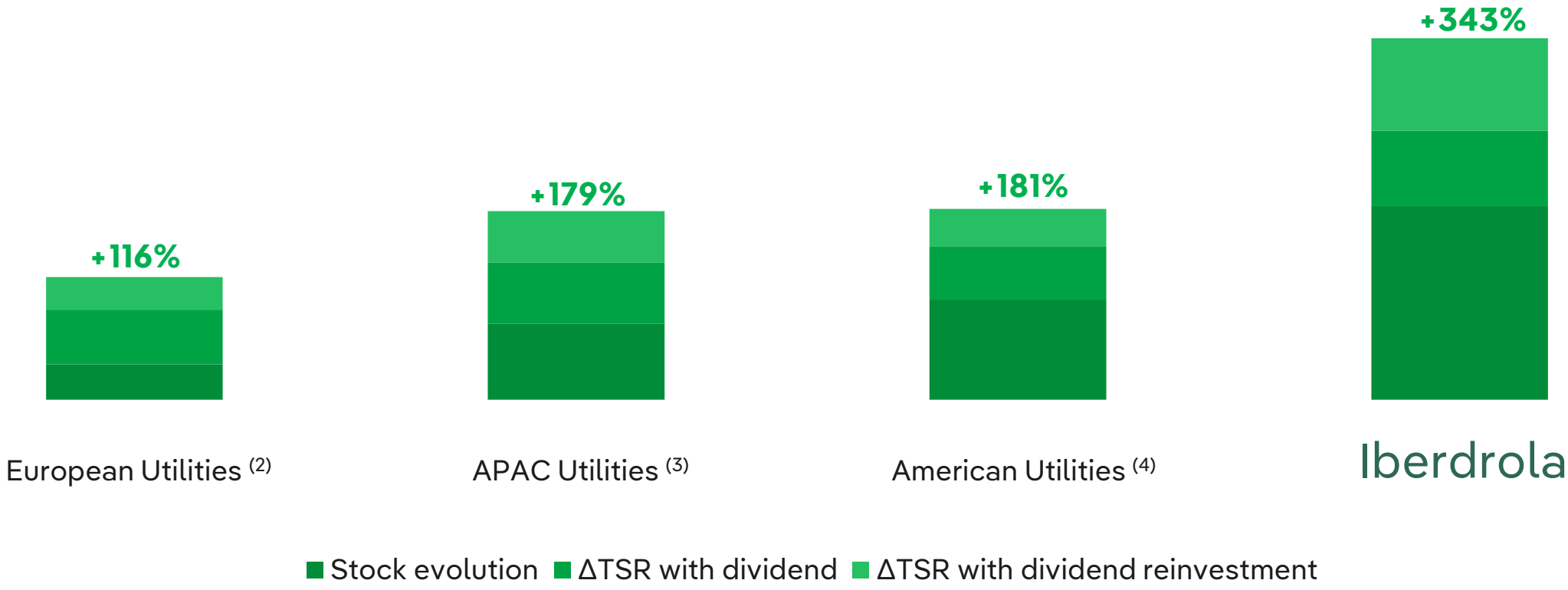
...contributing to the security of supply

- ✓ In collaboration with all agents involved and with society as a whole
- ✓ Which provides safe, competitive and autonomous energy and electricity

Focused on the well-being of people and the preservation of the planet

Iberdrola Group: Total Shareholder Return

Iberdrola Total Shareholder Return[1] over the last 10 years is above 300%...

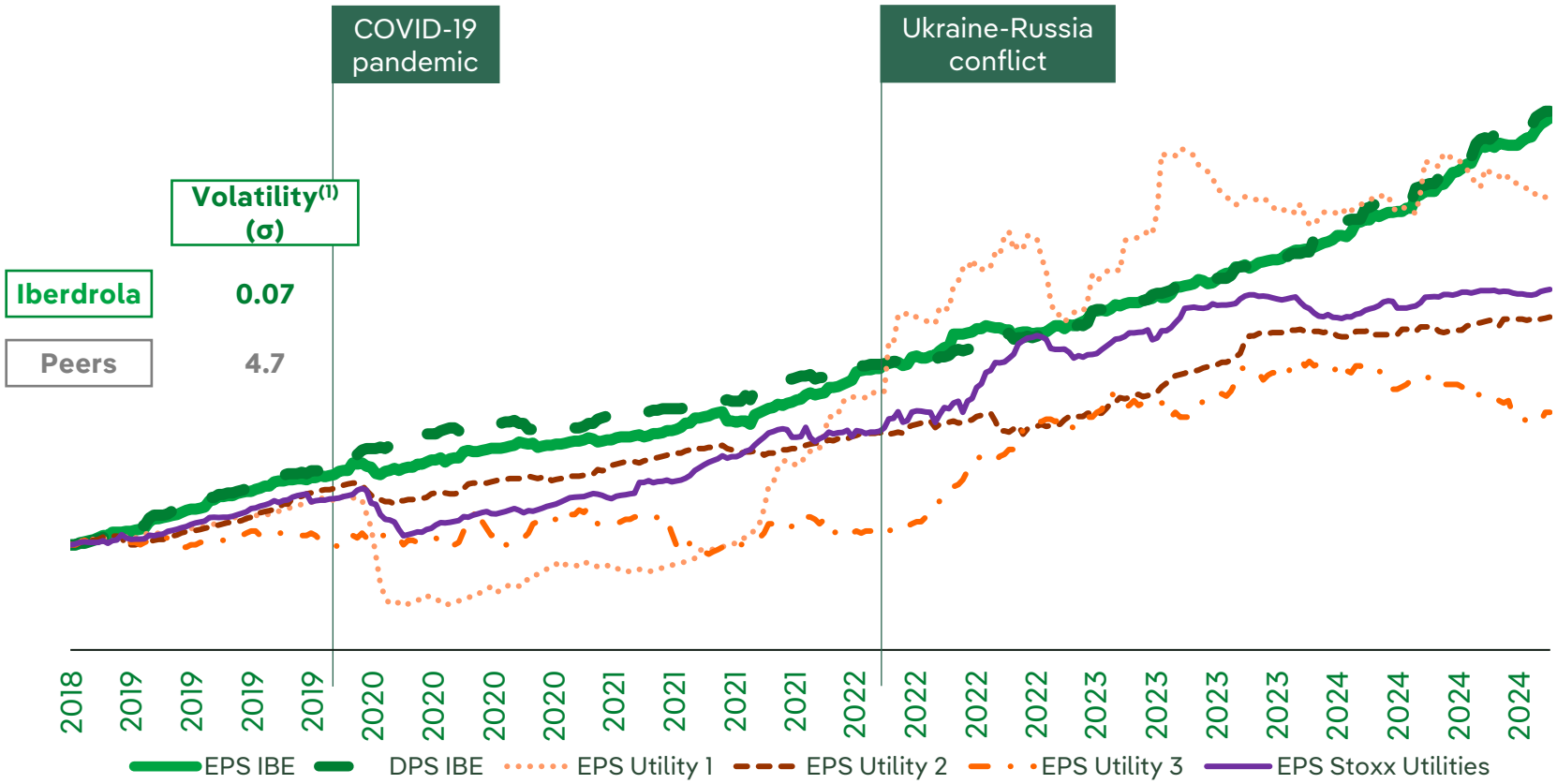


... based on higher growth than peers

(1) Total Shareholder Return, including dividend reinvestment for the period between December 2014 and April 2025
(2) Arithmetic average of European Utilities (Enel, EDP, RWE, Engie, E.ON)
(3) Arithmetic average of APAC Utilities (China Yangtze Power, Huaneng Power International, China Longyuan Power Group Corp, KEPCO, TEPCO, Kansai, Chubu, Origin Energy, APA Group, Meridian Energy, Infantil Limited, Mercury NZ)
(4) Arithmetic average of American Utilities (NextEra Energy, Southern Co, Duke Energy)

Iberdrola Group: Earnings growth and shareholder's return

Shareholder remuneration aligned with Net Profit (and EPS) growth



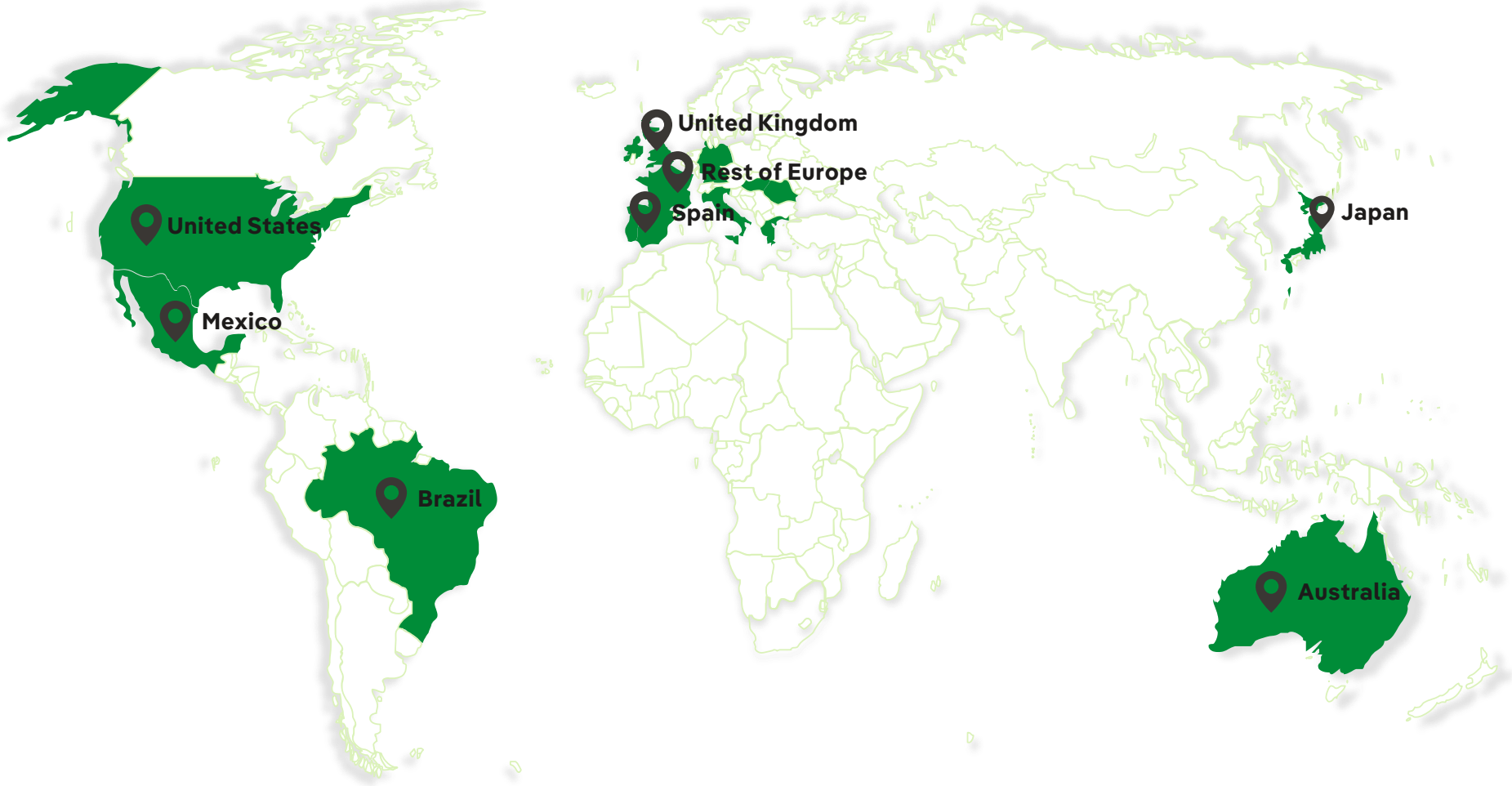
	Net Profit CAGR	EPS CAGR	DPS CAGR
5y	10%	11%	12%
10y	9%	9%	9%
20y	8%	5%	7%

Source: Bloomberg

(1) Calculated as standard deviation of Net Profit growth during the last 10 years

Iberdrola Group: Our figures

Iberdrola is a global energy leader in clean energy, networks and storage...

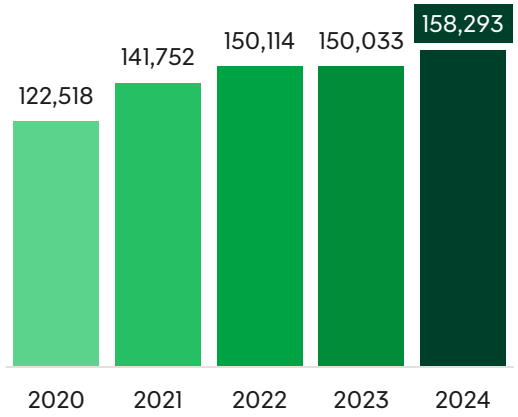


... serving ~100 M people in dozens of countries, with more than 42,200 employees and ~160 Bn Eur of assets

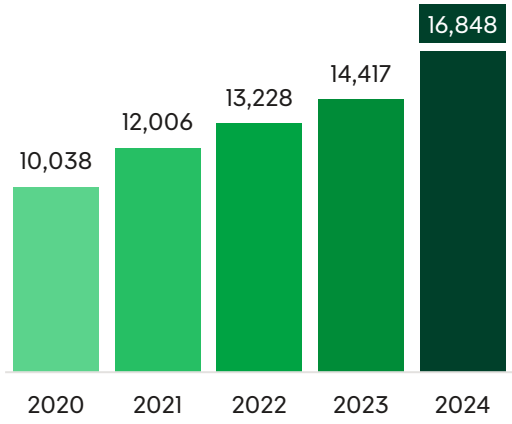
Iberdrola Group: Our figures

… and one of the world's largest electricity companies by market capitalization, …

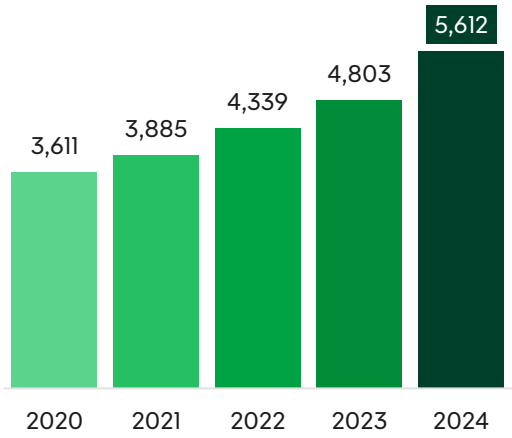
Total Assets (M EUR)



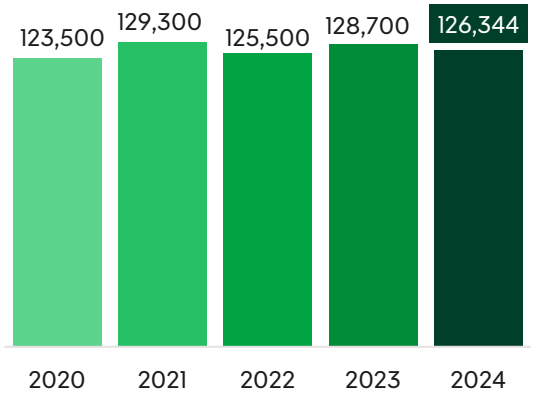
EBITDA (M EUR)



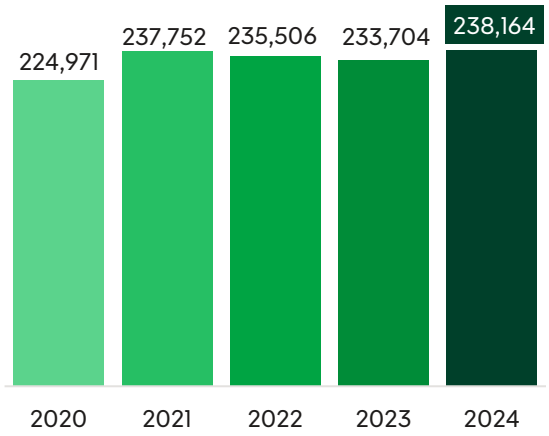
Net Profit (M EUR)



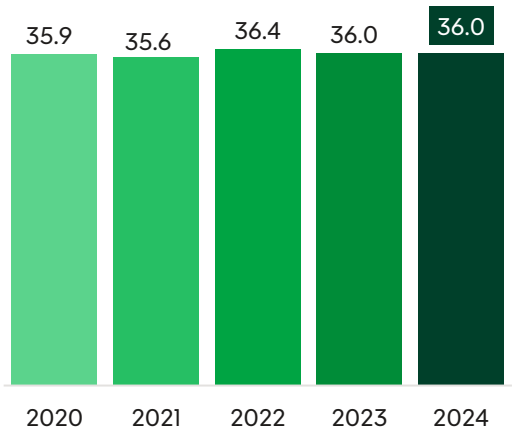
Net Own Production (GWh)



Distributed Electricity (GWh)



Customers (millions)(1)



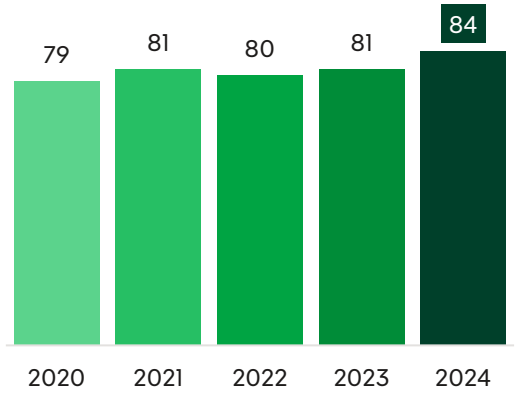
(1) Consumers: for electricity, total number of customers is used where there are areas of electricity distribution and retailing, supply points are used for the other areas.

(2) For gas: total number of gas customers is used, except for the U.S., where supply points are used. For Rest of the World, electricity and gas segment depends on Iberdrola Clientes Internacional S.A

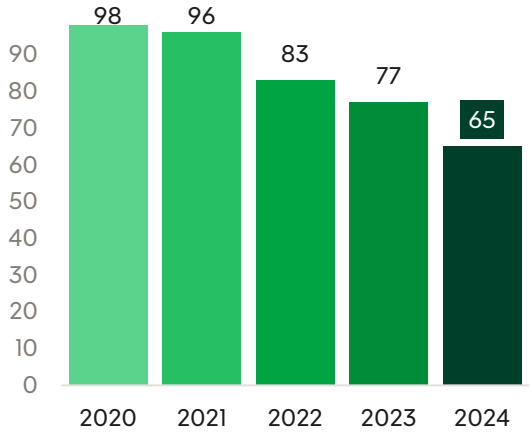
Iberdrola Group: Our figures

...having anticipated the energy transition to combat climate change and contributing to society

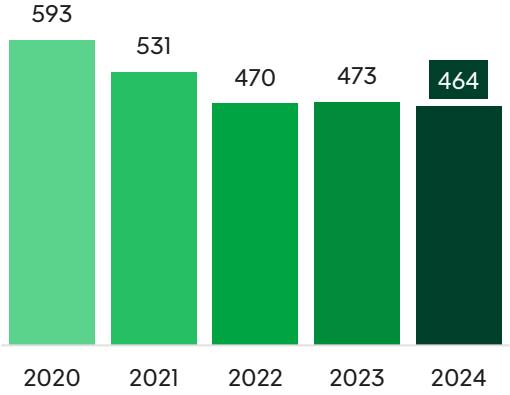
Own emission-free installed capacity (%)



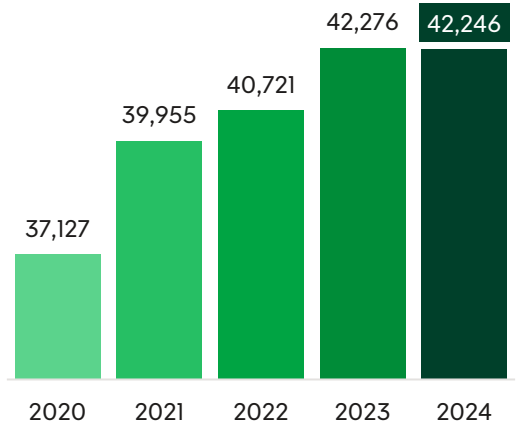
Own specific CO2 emissions (t / GWh)



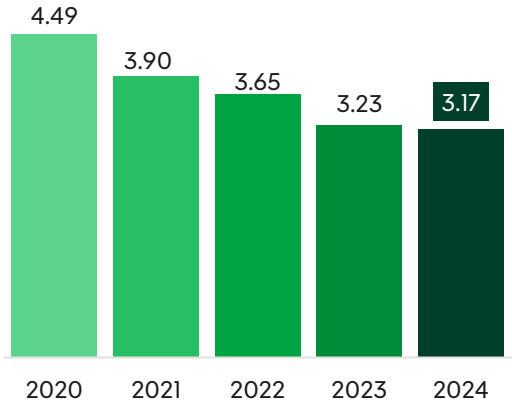
Water use / overall production (m3/GWh)



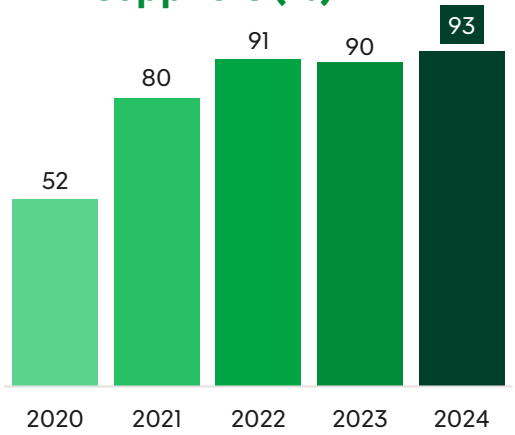
Number of employees (1)



Accident frequency rate (own employees)(2)



Purchases from sustainable suppliers (%)



(1) Refers to number of employees at year-end regardless of the type of working hours.

(2) Rate of recordable work-related injuries = Number of recordable work-related injuries (except first aid) / Number of hours worked x 1,000,000.

Iberdrola Group: Key figures

The group's competitive business model creates value in the places where the company operates...

Key performance indicators 2024

€11,946 million gross organic investment
€5,612 million net profit

~45,400 million asset base in networks
+2,600 MW of renewable capacity installed

€17,853 million of purchases from suppliers
>€400 million of investment in R&D for 3rd consecutive year[2]

42,246 employees[3]
43% of women in the Board of Directors

38 g CO_2/kWh emissions in Europe (5 times less vs European average)
c.84% own emission-free installed capacity

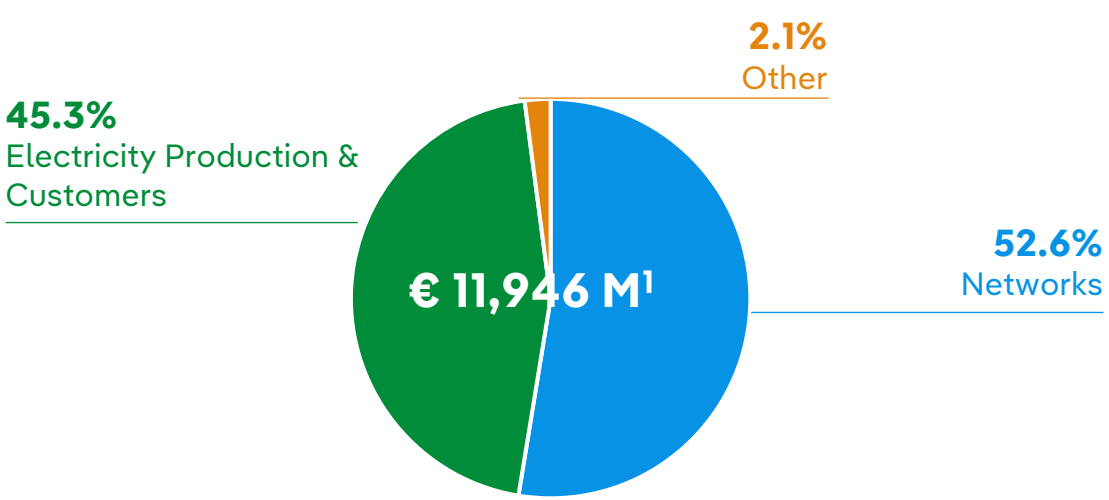
€56.7 million of contributions to society
36 million customers

(1) Inorganic investment (Electricity North West +Avangrid + Other) amounts to 4,933 M EUR, totaling 16,869 M EUR
(2) According to the European Commission based on 2023 figures
(3) Number of employees at year-end, regardless of the type of workday

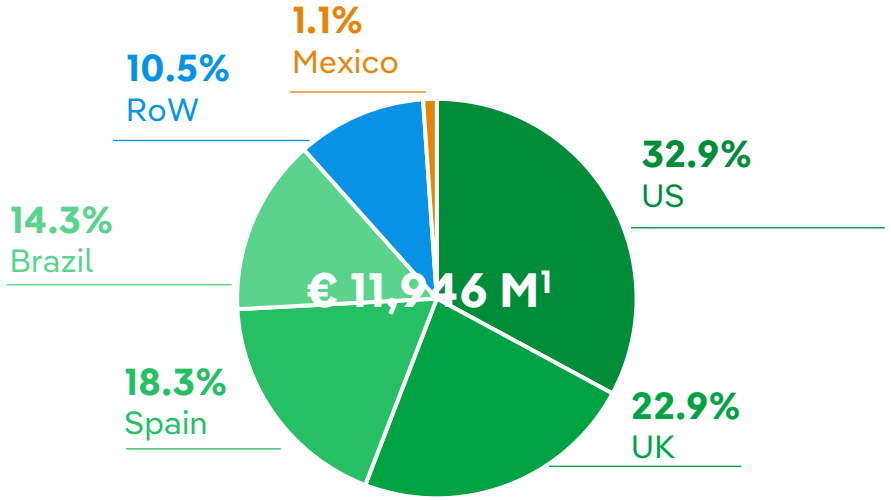
Iberdrola Group: Investments

...through clean energy generation, smart grids and smart solutions and services to our customers

2024 Gross Investments by business



2024 Gross Investments by geography



International diversification
~83% in countries with credit rating ≥A(2)

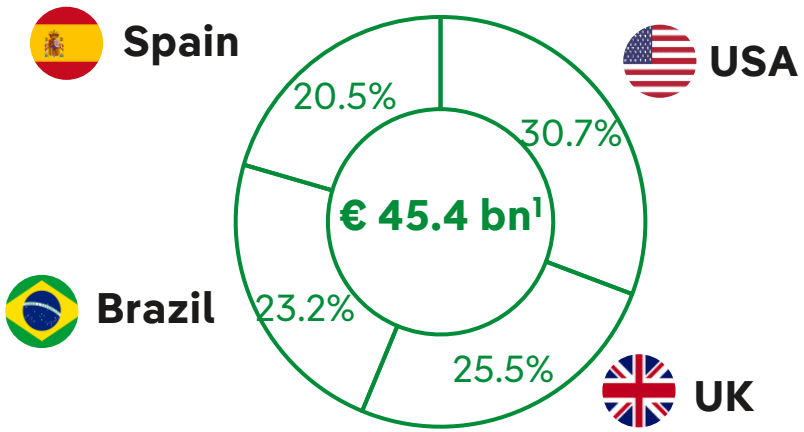
(1) Total gross organic investments. Considering inorganic investments (ENW + Avangrid + Other), total investment is 16,879 M EUR

(2) Under Standard & Poor's categorization

Iberdrola Group: Networks

1.3 M Km power lines, over 4,500 substations and 1.6 M transformers and over 35 M supply points(2)

Asset Base



Iberdrola Networks business areas

	Spain	UK	USA	Brazil
Transmission - electricity		✓	✓	✓
Distribution - electricity	✓	✓	✓	✓
Distribution - gas			✓	

Leaders in smart grids

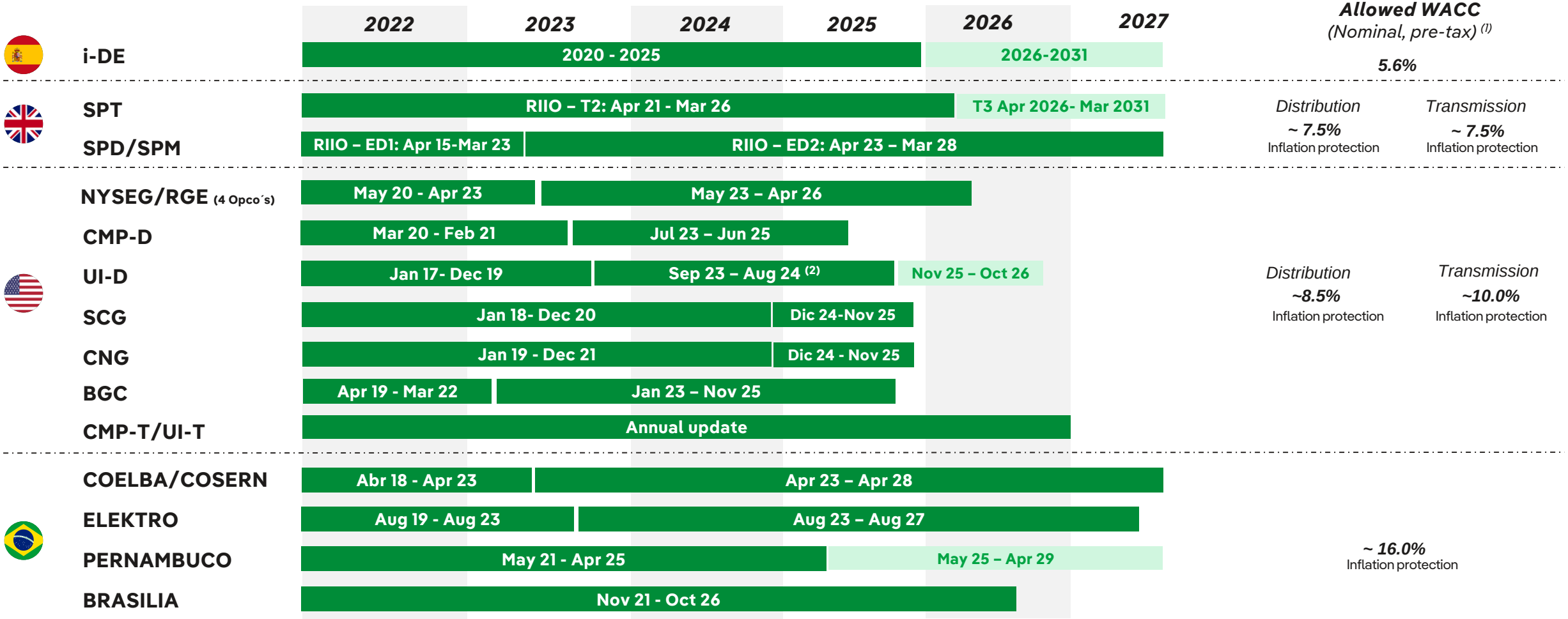
Country	Smart meters Installed (M)	% Smart meters/ Total meters
Spain	11.5	~100%
United Kingdom	2.6	~62%
United States	2.3	~65%
Brazil	0.6	~4%

As of **2024**, out of the total meters installed, **~85% are smart meters(3)**

(1) Does not include ENW RAB (2.9 M GBP), as the asset is not consolidated by the global method until April, 2025
(2) Electricity and gas supply points
(3) Figure excludes Brazilian meters. Including it, 50% of the meters are smart

Iberdrola Group: Networks

Stable and geographically diversified returns approved through regulatory frameworks



Note: Rounded figures and best estimate of the entry into force of the new rate cases

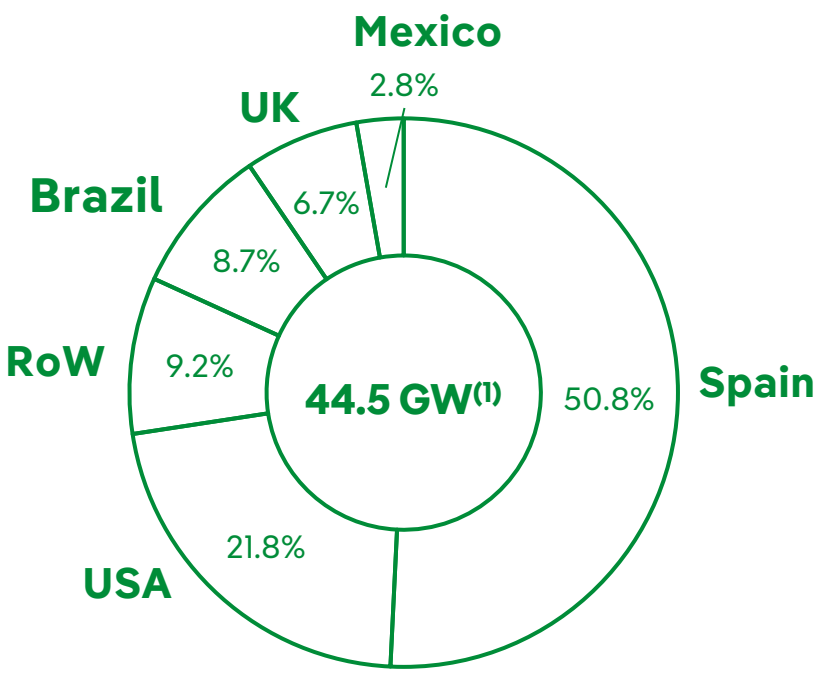
(1) Nominal WACC pre-tax has been calculated based on each country's specific remuneration framework. Distribution: ESP: 5.6% Nominal WACC pre-tax; UK: 5.6% Real CoE post-tax; USA: Nominal ROE post-tax allowed for each DisCo; BRA: 7.4% Real WACC post-tax. Transmission: UK: 5,2% Real CoE post-tax; USA: Nominal ROE post-tax allowed for each licence ~11%. Inflation (long term): UK: ~ 2%; BR: ~ 3,0%

(2) Rates automatically extended

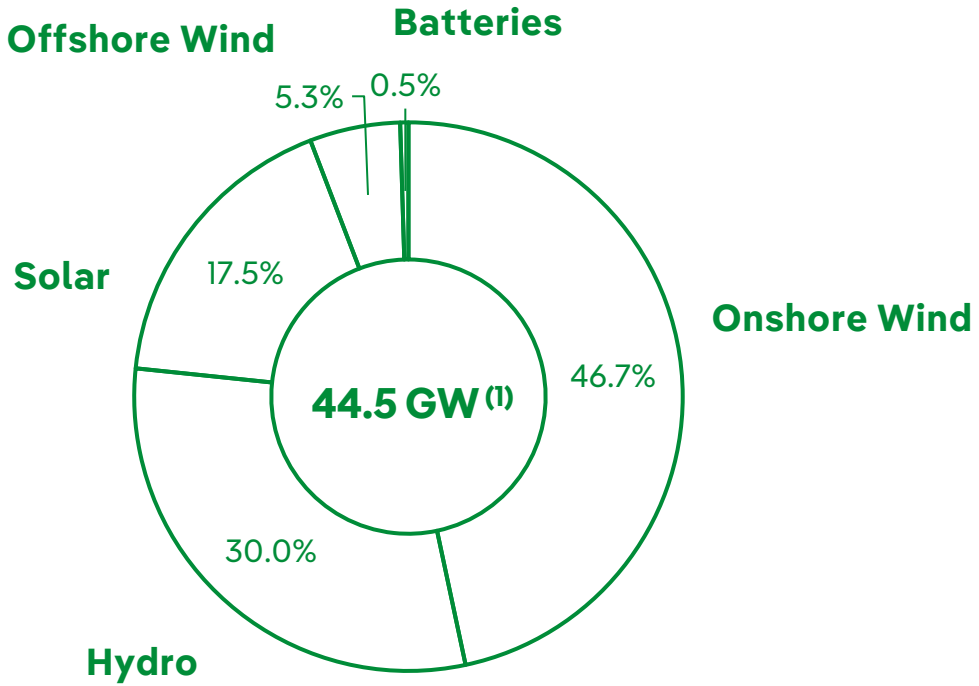
Iberdrola Group: Electricity Production & Customers

Leading position in renewables

Capacity by region



Capacity by technology



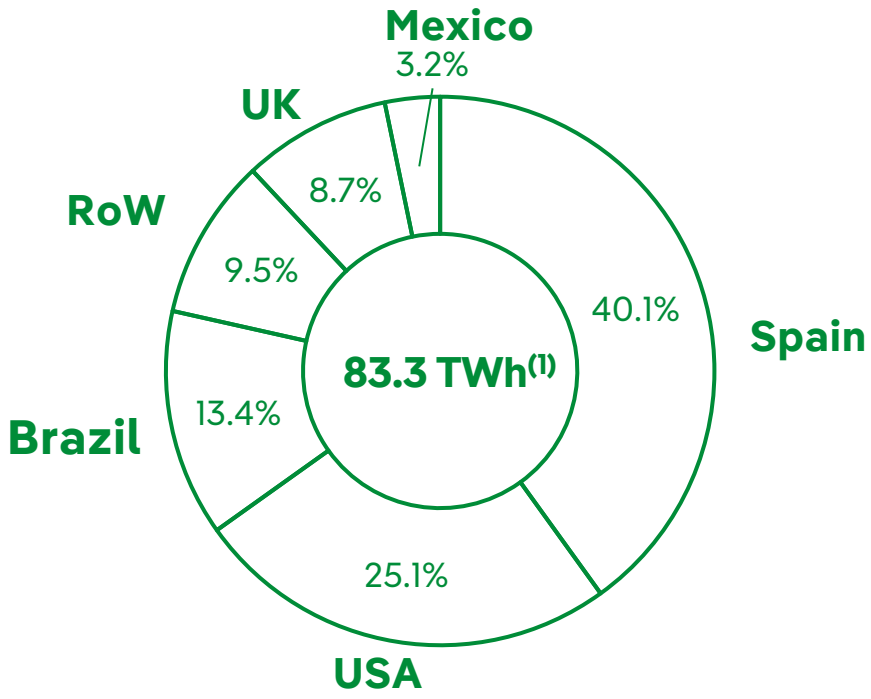
Note: net owned installed capacity. Differences may arise due to rounding

(1) Including 13 MW of capacity from fuel cells

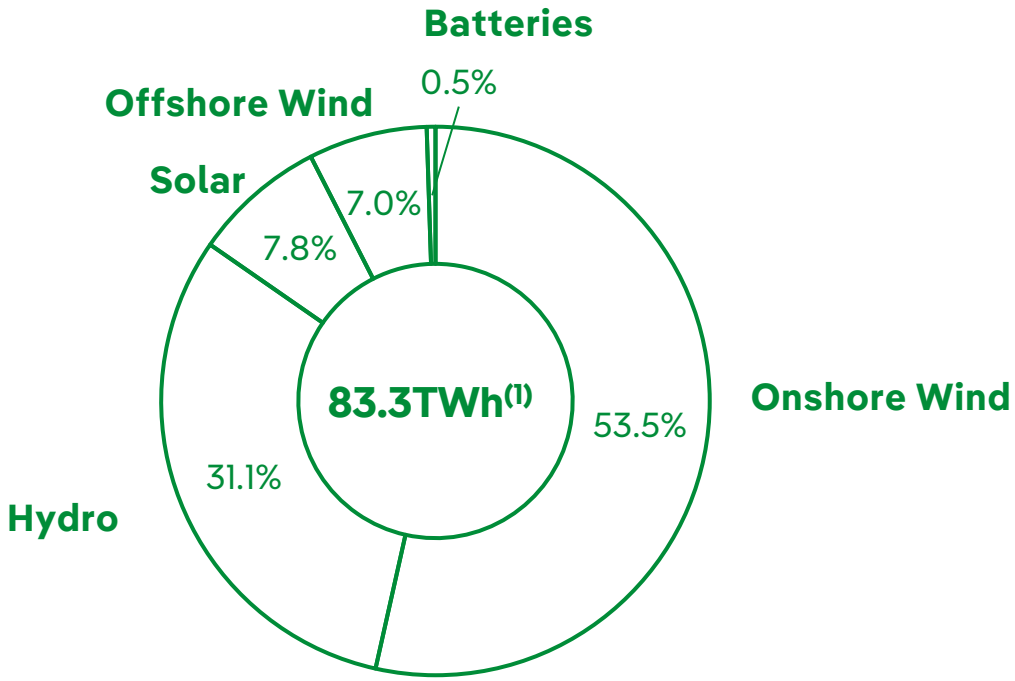
Iberdrola Group: Electricity Production & Customers

Leading position in renewables

Output by region



Output by technology



Note: net owned production. Differences may arise due to rounding

(1) Including 72 GWh of production from fuel cells

Iberdrola Group: Electricity Production & Customers

Group's Total Installed Capacity

Capacity (MW)	Spain	UK	US	Mexico	Brazil	RoW	Total
Renewables[1]	**22,582**	**2,996**	**9,703**	**1,232**	**3,862**	**4,102**	**44,478[1]**
Onshore (owned)	6,550	1,968	8,045	590	1,554	2,041	**20,747**
Onshore (for third parties)	-	-	-	-	-	-	**-**
Offshore	-	908	143	-	-	1,322	**2,373**
Hydro	10,823[2]	-	118	-	2,159	-	**13,100**
Mini-hydro	234	-	-	-	-	-	**234**
Solar	4,937	19	1.384	643	149	665	**7,796**
Batteries	39	101	13	-	-	75	**228**
Nuclear	3,177	-	-	-	-	-	**3,177**
Gas Combined Cycle owned capacity	5,695	-	204	1,166	550	243	**7,858**
Gas Combined Cycle capacity for third parties	-	-	-	-	-	-	**-**
Cogeneration	318	-	636	202	-	-	**1,156**
TOTAL CAPACITY	**31,772**	**2,996**	**10,543**	**2,600**	**4,412**	**4,345**	**56,668**

Note: Figures reported net of transactions during the period. Differences may arise due to rounding.

(1) Including 13 MW of capacity from fuel cells

(2) Includes capacity of Támega in Portugal

Iberdrola Group: Electricity Production & Customers

Group's Total Production

Production (GWh)	Spain	UK	US	Mexico	Brazil	RoW	Total
Renewables[1]	**33,363**	**7,279**	**20,897**	**2,747**	**11,137**	**7,916**	**83,338**[1]
Onshore (owned)	9,626	4,081	19,294	1,579	5,339	4,611	**44,530**
Onshore (for third parties)	-	-	-	44	-	-	**44**
Offshore	-	3,190	39	-	-	2,593	**5,822**
Hydro	20,159[2]	-	211	-	5,551	-	**25,920**
Mini-hydro	429	-	-	-	-	-	**429**
Solar	3,150	8	1,280	1,124	247	711	**6,520**
Batteries	-	-	72	-	-	-	**72**
Nuclear	22,589	-	-	-	-	-	**22,589**
Gas Combined Cycle owned production	4,449	-	5	8,890	87	121	**13,551**
Gas Combined Cycle production for third parties	-	-	-	6,111[3]	-	-	**6,111**
Cogeneration	1,638	-	3,884	1,388	-	-	**6,910**
TOTAL PRODUCTION	**62,039**	**7,279**	**24,785**	**19,135**	**11,224**	**8,036**	**132,499**

Note: Figures reported net of transactions during the period. Differences may arise due to rounding.

(1) Including 72 GWh of production from fuel cells

(2) Includes production of Támega in Portugal

(3) Includes production of assets within the transaction perimeter up to the 26th of February 2024

Iberdrola Group: Electricity Production & Customers

Renewables load factor

Load Factor (%)	Spain	UK	US	Mexico	Brazil	RoW
Onshore (owned)	17.0%	25.0%	27.3%	30.3%	39.1%	25.9%
Onshore (for third parties)	-			29.3%		
Offshore	-	49.0%(2)				26.5%(3)
Hydro(1)	21.3%				36.1%	
Mini-hydro(1)	20.8%					
Solar	11.9%	5.7%	18.7%	27.9%	18.9%	17.3%

Note: load factor calculated using installed capacity and AOC (Average Operating Capacity)

(1) Based on consolidated production and operational capacity

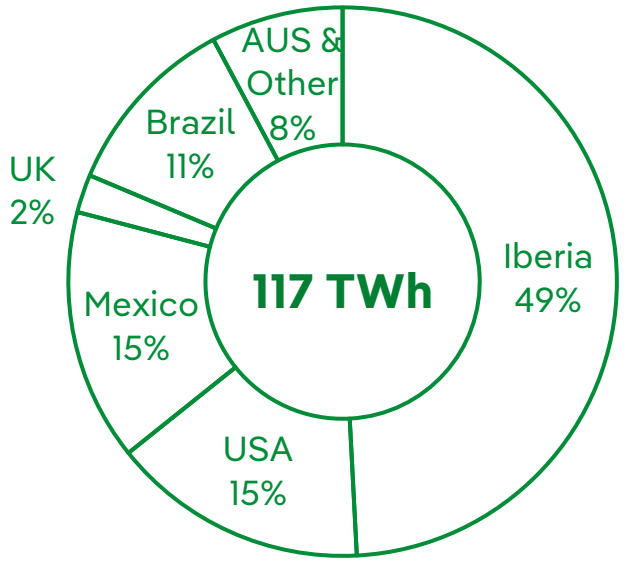
(2) Adjusted for the outage due to EA1 wind farm cable fault

(3) Due to gradual entry into operation of Baltic Eagle wind farm

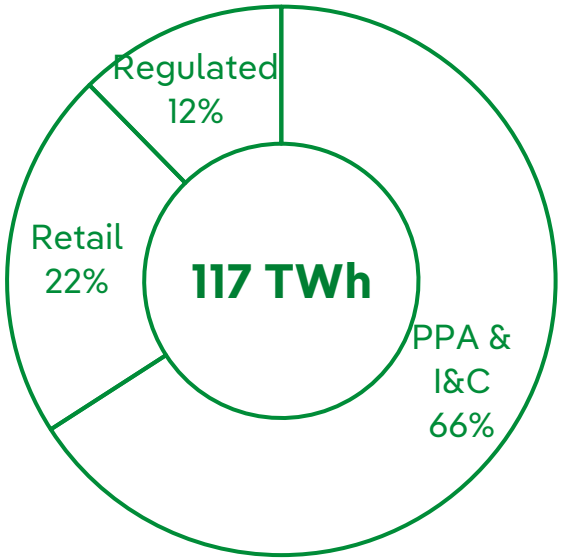
Iberdrola Group: Electricity Production & Customers

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

Available production for sales (TWh)



Route to Market by production (TWh)

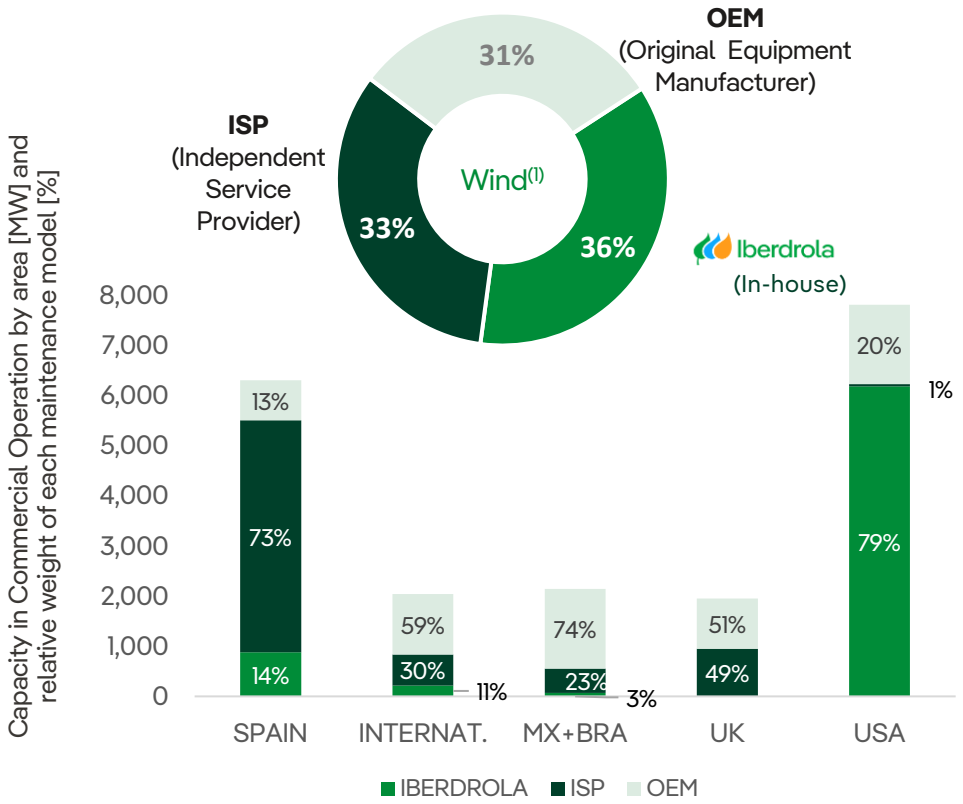


… and in 2024 we reached 117 TWh of contracted revenues with margin secured

Iberdrola Group: Electricity Production & Customers

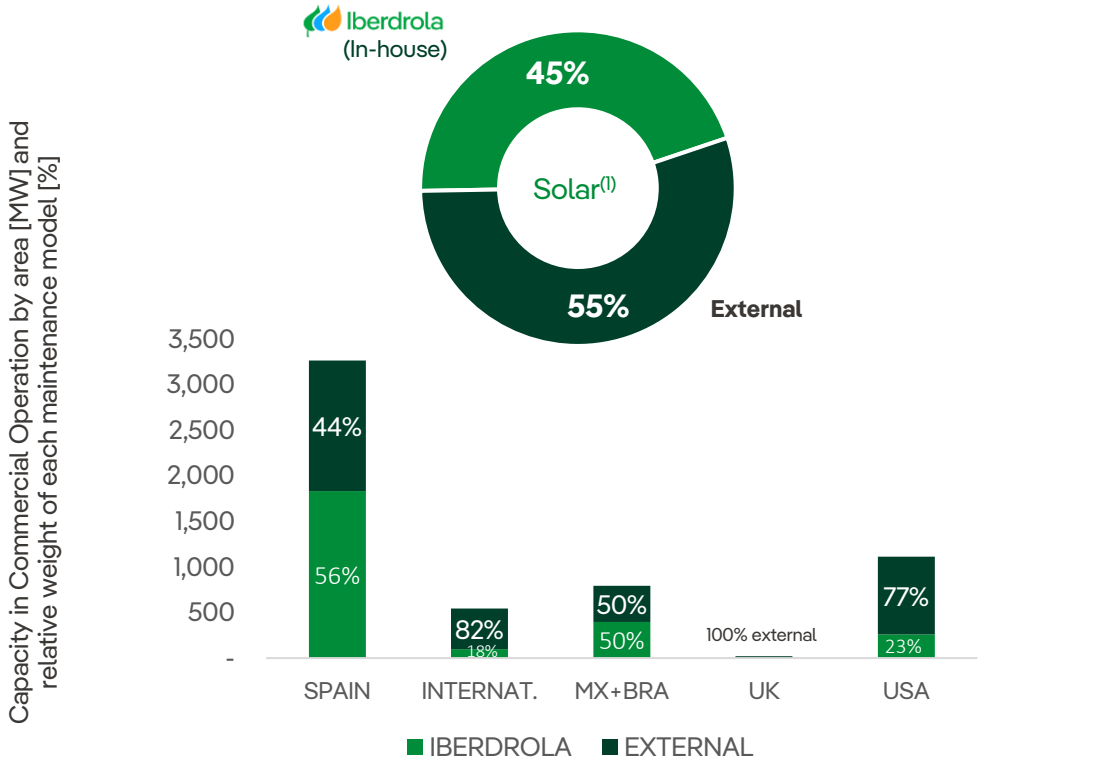
O&M Management

WIND



- USA is the region that concentrates more in-house maintenance, while Spain concentrates the maintenance with ISP
- To highlight the ISP maintenance of the total G8X-G9X fleet in Brazil & the internalization of works in Mexico.

SOLAR



- External maintenance model predominates, followed by a tendency to increase internal maintenance as the equipment comes out of warranty
- It is worth mentioning the In-house maintenance of FIMER inverters in Spain

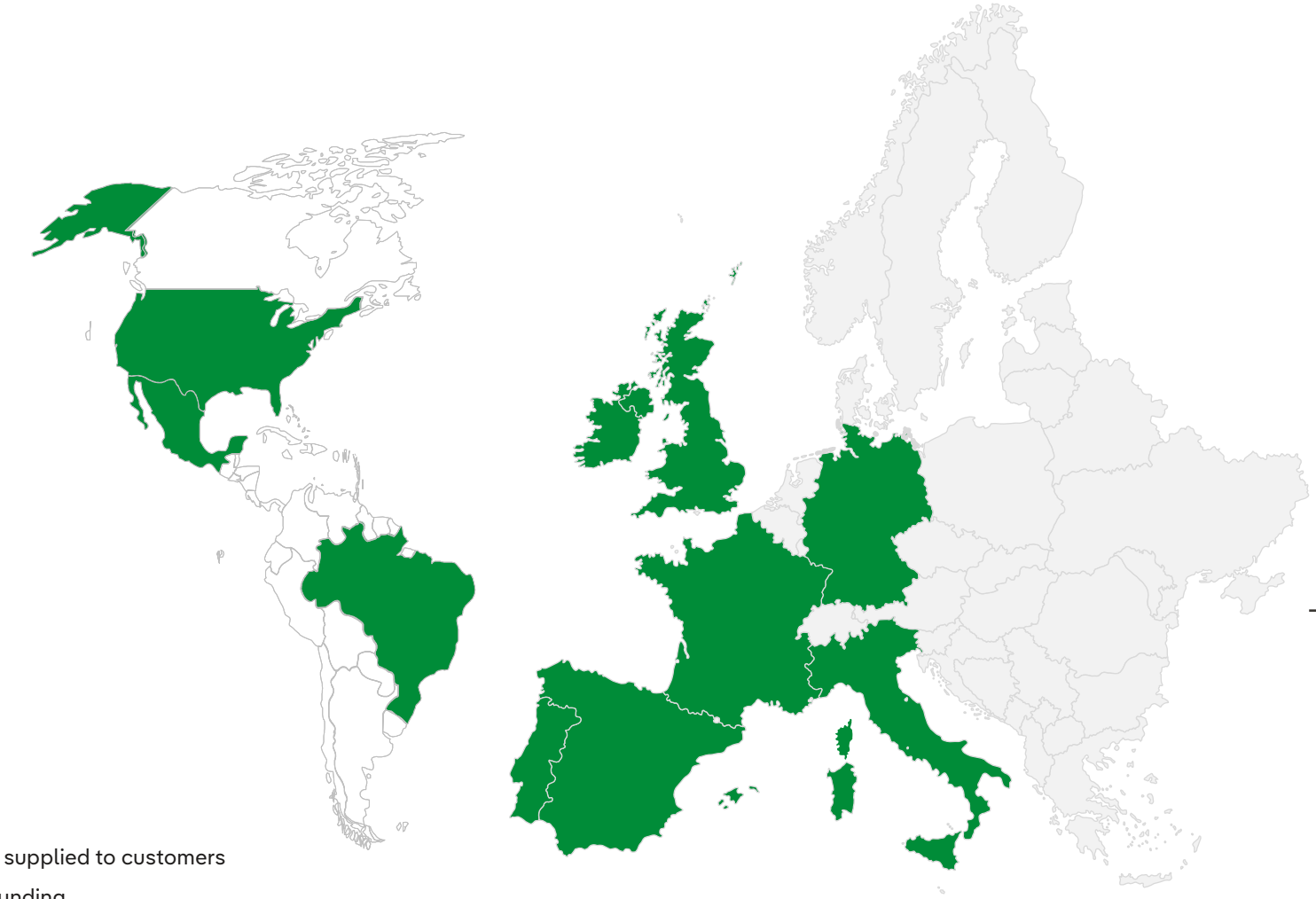
(1) Refers to commissioned capacity

Note: excluding capacity not consolidated at EBITDA level

Iberdrola Group: Electricity Production & Customers

Retail & Smart Solutions: Key figures 2024

32 M(1) services to customers



MEXICO(2)

4k services to customers
17 TWh energy sales

BRAZIL

818k services to customers
13 TWh energy sales

UK

7 M services to customers
30 TWh energy sales(2)

SPAIN & EU

23 M services to customers
88 TWh energy sales

Note: includes electricity and gas sales supplied to customers

(1) Discrepancies may occur due to rounding

(2) Excludes energy of CCGT sold to MIP as of 26th February 2024

Iberdrola Group: Electricity Production & Customers

Services to customers: >31.5 M contracts

(In '000)

	2024	2023	Var. (%)
Iberia	**23,336**	**22,395**	**4.2%**
Liberalised	**19,903**	**18,986**	**4.8%**
Electricity	7,521	7,669	-1.9%
Gas	641	654	-2.0%
Smart solutions	11,741	10,663	10.1%
Last resort tariff(1)	**3,433**	**3,410**	**0.7%**
UK	**7,343**	**7,267**	**1.0%**
Electricity	2,539	2,680	-5.3%
Gas	1,771	1,829	-3.2%
Smart Solutions	320	274	16.8%
Smart Meters	2,713	2,484	9.2%
Mexico	**4**	**4**	**-**
Brazil	**818**	**695**	**17.7%**
Electricity (2)	2,0	1,4	40.8%
Smart Solutions (3)	816	694	17.6%
Rest of World	**0,03**	**0,03**	**-**
Electricity	0,03	0,03	-
TOTAL	**31,502**	**30,362**	**3.8%**

(1) Refers to customers under the PVPC (regulated power tariff) and TUR (regulated gas tariff)
(2) Number of consumer units
(3) Excluding philanthropic clients
Note: Iberia includes Spain & Portugal and Rest of World includes France, Germany & Italy

Iberdrola Group: Electricity Production & Customers

Smart Solutions to solve customer needs

- Comprehensive solutions that meet our customer needs
- Strengthen customer relationship with Iberdrola
- Accelerate electrification of demand
- Promote sustainable technologies

SMART HOME
VALUE-ADDED SERVICES

- Reached 13.2M services in the global value-added services portfolio
- Wide offer of added value services and energy management that provide peace of mind and comfort and enable customers to save and optimize their energy consumption.
- Launching of new solutions to drive demand electrification and allow a customized home energy management

SMART MOBILITY
ELECTRIFICATION OF TRANSPORT

- Alliance with more than 10 vehicle manufacturers which cover 60% of EV Sales in Spain
- >19k public charging points and 53k residential in 2024
- Launch of the Iberdrola | BP Pulse joint venture to lead the fast and ultrafast charging infrastructure deployment in Spain and Portugal
- Contracts secured for installation of charging infrastructure for +670 buses and trucks..

SMART SOLAR
SELF-SUPPLY SOLUTIONS

- Leading self-consumption in Spain and consolidating presence in other countries
- We offer comprehensive solutions for all customers: single-family homes, solar communities, companies and industrial customers.
- Continuing the deployment of solar communities to make self-consumption accessible to all customers neighbours in the vicinity

SMART CLIMA
ELECTRIFICATION OF HEAT

- Promotion of heat electrification and energy rehabilitation in homes
- Development of the business line of integral energy refurbishment of residential buildings
- Integrated turnkey solutions: installation, maintenance and electricity tariffs adapted to each client

Iberdrola Group: Electricity Production & Customers

Other electrification solutions

DATA CENTERS

Green energy in need of firming

- ✓ Iberdrola: **~11 TWh** contracted in USA, Spain, Germany, United Kingdom…
- ✓ Alliances with the **main energy consumers** for Data Centers

DISTRICT HEATING

Areas of high population density and low temperature

- ✓ **Pioneers** in **Project Development** in **Spain:** 1 project in operation in 2025
- ✓ **Pipeline** of **~40 projects (4 TWh)** promoting industry residual heat recovery specially from data centers.

Iberdrola Group: Electricity Production & Customers

PPAs: long-term Power Purchase Agreements

- A PPA is a long-term Power Purchase Agreement, with agreed conditions (term, price, amount, etc.) between an energy generator and a consumer that ensures revenue and price stability for the customer.
- In a market with highly volatile prices, PPAs set a price that totally or partially limits this risk.
- Iberdrola group has signed contracts of this type in countries such as the United States, the United Kingdom, Spain, Mexico, Brazil, Australia, Italy, Germany...

DEPENDING ON THE POINT OF INJECTION OF ENERGY

OFFSITE PPA

Energy produced at a specific location and connected to the grid

ONSITE PPA

Energy produced near or on the site of the customer's premises

DEPENDING ON THE TYPE OF DELIVERY

PHYSICAL

Bilateral contract for the supply of energy and, for renewable generation, delivery of Renewable Certificates from a specific production plant to the end customer

VIRTUAL

Bilateral energy contract that does not provide for the physical delivery of energy from the seller to the customer

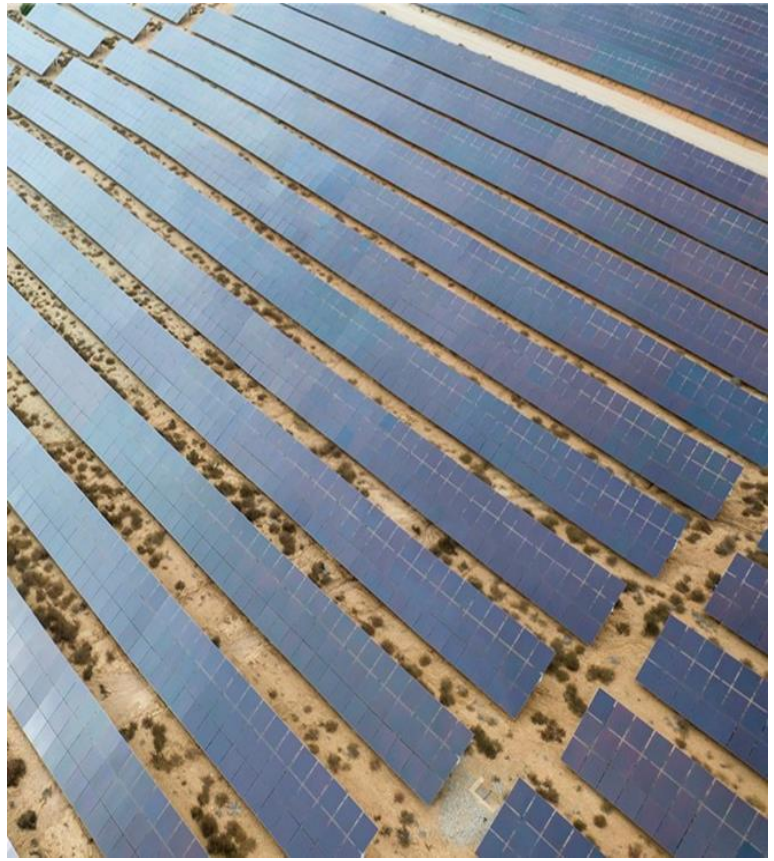
BY FORM OF ENERGY DELIVERY

AS GENERATED

The customer consumes the plant's generation

BASELOAD

The seller is responsible for converting the generation of the asset into a baseload



Iberdrola Group: Electricity Production & Customers

Flagship projects: Main PPAs(1) signed by Iberdrola in 2024

SPAIN

- amazon: PPA for 212 MW from Ciudad Rodrigo PV Plant.
- amazon: PPA for 45 MW from Valdemoro onshore wind farm.
- bp: PPA for 200 GWh/y from onshore wind and PV plants.
- PPA for 340 GWh/y from Velilla and Tagus I –IV PV plants.
- BURGER KING: PPA for 75 MW from Pizarro PV plants.

PORTUGAL

- amazon: PPA for 219 MW from Támega onshore wind farm.
- GRES PANARIA Portugal S.A.: PPA for 9 GWh/y from a PV plant.

GERMANY

- SALZGITTER AG: PPA for 60 GWh/y from a PV Plant located in Saxony- Anhalt
- Telefónica: PPA for 200 GWh/y from offshore wind farm Baltic Eagle
- SCHWENK Baustoff leben: PPA associated to the offshore wind farm Windanker

ITALY

- bticino: PPA associated to Montefiascone PV Plant (7 MWs)
- P. S. C. PRIMA SOLE COMPONENTS S.p.A.: PPA for 20 GWh/y from Montalto di Castro PV Plant.
- BAYER: PPA associated to Montefiascone PV Plant (7 MW)
- iper tosano: PPA for 20 GWh/y associated to a PV plant.
- ACCIAIERIE VENETE SPA: PPA for 12 MW associated to a PV plant.

UNITED KINGDOM

- amazon: PPA for 159 MW from the offshore wind farm East Anglia 3
- coop: PPA for 9 MW from Coldham PV Plant

MEXICO

- Tuny: PPA for 20 GWh
- MAT FOUNDRY GROUP LTD: PPA for 61 GWh
- millfoods: PPA for 23 GWh
- Nestlé: PPA for 49 GWh

USA

- Meta: PPA associated to Tower solar plant (166 MW)
- amazon: PPA associated to Leaning Juniper IIA onshore wind farm (98 MW)
- amazon: PPA associated to Osagrove Flats onshore wind farm (153 MW)
- Statkraft: PPA associated to Casselman wind farm in Pennsylvania (35 MW)

AUSTRALIA

- Adelaide Airport: PPA associated to Lake Bonney onshore wind farm
- LA TROBE UNIVERSITY: PPA associated to Cherry Tree onshore wind farm

(1) Power Purchase Agreement

Iberdrola Group: Electricity Production & Customers

Offshore: Projects in operation

Project	**WoDS**	**Wikinger**	**East Anglia 1**	**St Brieuc**	**Baltic Eagle**
Location	Irish Sea	Baltic Sea	North Sea	St Brieuc Bay	Baltic Sea
Capacity (MW)	194 MW	350 MW	714 MW	496 MW	476 MW
COD	2014	2017	2020	2024	2024
PPA/CFD	2 RoCs (20 years) Market Price	194€/MWh / 8yrs + 154€/MWh / c.4 yrs	CfD AR1: 119.89 £/MWh (real 2012+CPI)/15 yrs	155 €/MWh (real 2012) / 18yrs - indexed	PPA
Stake	50% of total 389 MW (JV between Iberdrola & Ørsted)	51% Iberdrola / 49% Energy Infrastructure Partners (EIP)	60% ScottishPower Renewables / 40% Bilbao Offshore Holding	100% Iberdrola	51% Iberdrola / 49% Masdar
Number of turbines	108 Siemens-Gamesa turbines (3.6 MW)	70 Siemens-Gamesa turbines (5 MW)	102 Siemens-Gamesa turbines (7 MW)	62 Siemens-Gamesa turbines (8 MW)	50 Vestas turbines (9.5 MW)

Iberdrola Group: Electricity Production & Customers

Offshore: Projects under construction

Project	**Vineyard Wind 1**[1]	**Windanker**	**East Anglia 3**	**East Anglia 2**
Location	Atlantic Ocean	Baltic Sea	North Sea	North Sea
Capacity (MW)	806 MW	315 MW	1,397 MW	960 MW
COD	2025	2026	2026	2028
PPA/CFD	88.77 $/MWh on average / 20 yrs	PPA	CfD [3]AR4: 37.4£/MWh CfD[3]AR6: 54.2 £/MWh PPA	CfD AR6: 58.87 £/MWh (real 2012+CPI)/15 yrs
Stake	50% AGR /50% CIP[2]	51% Iberdrola / 49% Kansai	100% Iberdrola	100% Iberdrola
Number of turbines	62 GE Haliade-X turbines (13 MW)	21 Siemens- Gamesa turbines (15MW)	95 Siemens-Gamesa turbines(14.7MW)	64 Siemens-Gamesa turbines (15 MW)

(1) Closed $2B Tax Equity financing.
(2) Copenhagen Infrastructure Partners
(3) Real 2012 prices+ CPI for 15 years

Iberdrola Group: Electricity Production & Customers

Offshore: increasing additional growth opportunities for 2028 – 2030…

Mature Projects

Happo – Noshiro (375 MW): Site secured and working in Route to Market. Iberdrola's stake is 39.9%.

East Anglia 1N (up to 900 MW): fully consented project creating synergies in the UK Hub

New England 1 (791 MW) & 2 (1,080 MW): all necessary federal permits obtained from BOEM, plus other permits required for construction

Seabed rights
for **additional growth**

ScotWind:

- 5 GW floating offshore projects in JV with Shell (50/50)
- 2 GW fixed project

Kitty Hawk South: 2.4 GW off the coasts of Virginia and North Carolina

Aurora Green: obtained preliminary authorization to develop our first offshore wind farm in Australia

Iberdrola Group: Electricity Production & Customers

...through established support mechanisms

	Offshore Country Targets (GW)	Support Mechanisms
UK	43-50 GW by 2030	CfD
Scotland	11 GW by 2030(1)	CfD
USA	30 GW by 2030	Utility or Corporate PPA
France	18 GW by 2035, 26 GW by 2040, 45 GW by 2050	CfD
Germany	30 GW by 2030, 40 GW by 2035	Variable premium/corporate PPA
Australia	2 GW by 2032, 4 GW by 2035	CfD
Japan	10 GW by 2030, 30-45 by 2040	FIT but moving to Feed in Premium

(1) Climate Change Committee has advised capacity should more than triple; from 15GW in 2023 to 49GW by 2035 and 66GW by 2045. Draft Climate Change Plan (CCP) to come to Scottish Parliament in summer 2025 and expected to finish before the 2026 Scottish Parliament election.

Iberdrola Group: Electricity Production & Customers

Green hydrogen & industrial electrification projects

Operational		Capacity	Funds
H_2	Puertollano I	20 MW	**Awarded**
H_2	Barcelona	2,5 MW	**Awarded**
H_2	Benicarló	1,25 MW	-

Under construction		Capacity	Funds
H_2	Castellón	25 MW	**Awarded**
Thermal Storage	Langreo	13 MWe	**Awarded**

Mature projects		Capacity	Funds
H_2	Cromarty	15 MW	**Awarded**
H_2	Whitelee	10 MW	**Awarded**
H_2	Methanol Green Meiga	150 MW	**Awarded**
H_2	Palos	200 MW	-
Thermal Storage	Tarragona	150 MWe	**Awarded**
Electric boiler	Cartagena	33 MWe	-

In addition, **strong portfolio of opportunities worldwide** that can **increase decarbonization** and **electrification** of the industry with **up to 11 TWh**

8 **green H2 and derivatives** projects in **Iberia, UK, Australia and Brazil** as well as 15 **industrial electrification** projects

Iberdrola Group: Electricity Production & Customers

Iberdrola overview of flexible assets

Flexible green production and energy storage as key differentiators with the focus on customers needs

Iberdrola has a significant operational portfolio of firming capacity assets…

Already operational assets

11GWs Hydro
(including 2.0GW open loop PHS)
2.4 GWs closed loop PHS

2GW Hydro

75 MWs BESS

101 MWs BESS

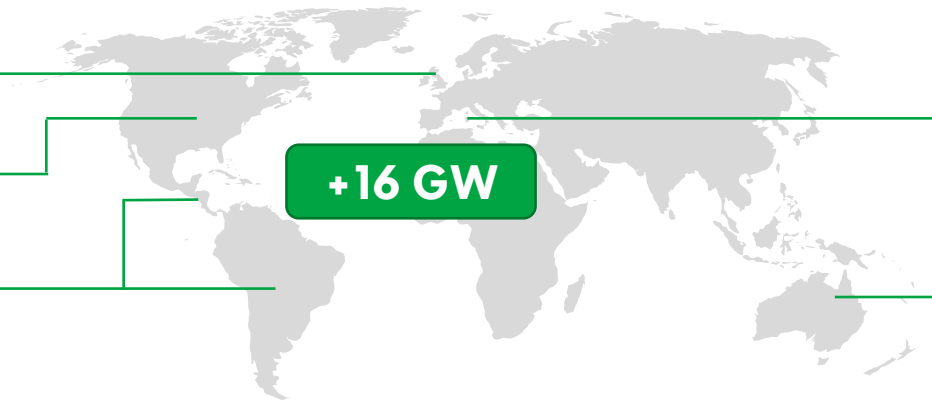
… and a competitive pipeline of Pumped Hydro (PHS) + Batteries (BESS) of more than 15GW

Underpinned by operating assets, hybridization opportunities and greenfield portfolio

UK
2GW BESS

USA
2GW BESS

BRA & MEX
Under analysis



IBERIA
1GW BESS
4,4GW PHS

REST OF EUROPE
5GW BESS

AUSTRALIA
2GW BESS

PHS: Pumped Hydro Storage

BESS: Battery Energy Storage System

Iberdrola Group: Electricity Production & Customers

Pumped Hydro Storage: Operating assets & pipeline

PHS is concentrated at Iberia, thanks to its orography and possibility of developing brownfield projects

	Installed Capacity (MW)	Storage Capacity (GWh)
Operating assets	4.400	100
Commissioned on 2024	118	2
Under construction	290	15
TOTAL	**4.7 GW**	**117 GWh**
Projects Under Permitting	**+3.6 GW**	**+155 GWh**

Equivalent to ~2 M electric vehicle (EV) storage capacity

FLAGSHIP PROJECTS

Támega

Largest hydroelectric facility in Portugal
880 MW close-loop PHS / 20 GWh

La Muela

Largest pumping facility in Europe
1,512 MW close-loop PHS / 24 GWh

Pumped hydro: the most competitive technology to provide massive flexibility
Only available in certain jurisdictions (Spain & Portugal)

Iberdrola Group: Electricity Production & Customers

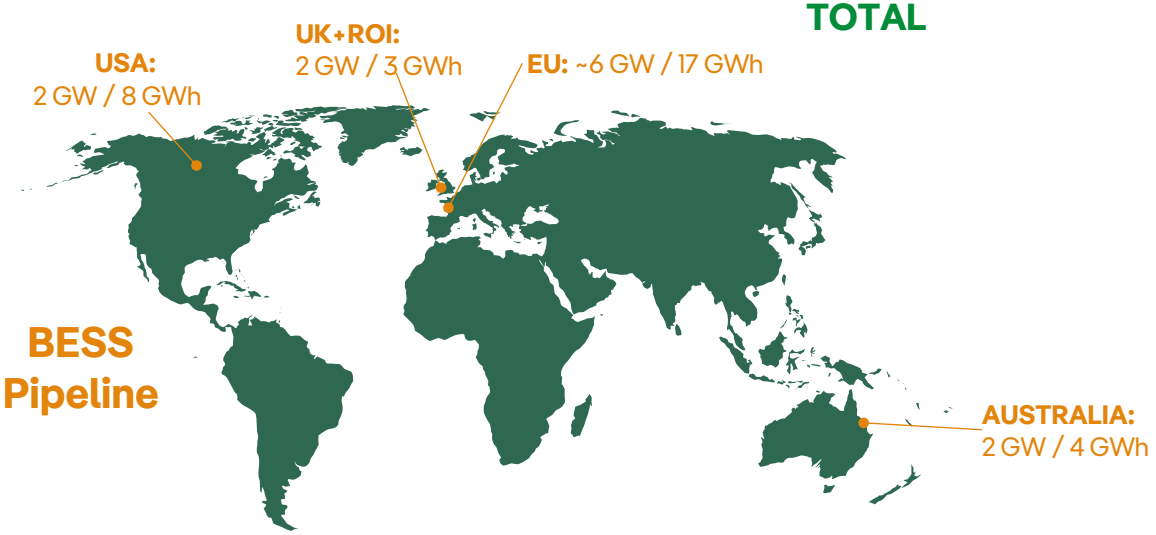
Batteries to accommodate Clients – Renewables deployment

200 MW of operating BESS assets, **500 MW under construction** / advanced development …

REGION	Operating assets (MW)	Under construction/ advanced development (MW)
Australia	75	245
UK + Ireland	101	0
Spain	39	150
TOTAL	**0.2 GW**	**0.5 GW**

… and a portfolio of **~12 GW (33 GWh)** of BESS projects focused on **core markets**

REGION	PIPELINE (GW)
USA	2
Australia	2
UK + Ireland	2.3
Europe	6
TOTAL	**12 GW**



Batteries offer shorter time-to-market and widespread ubiquity

Content

All figures as of December 2024, except otherwise stated. Differences may arise due to rounding

Iberdrola España

Leading energy company

206 Onshore wind 6,550 MW	46 Solar photovoltaic plants 4,937 MW	118 Hydroelectric plants (1) 11,057 MW	3 Green hydrogen
6 Batteries 39 MW	10 Combined cycle gas plants 5,695 MW	17 Cogeneration plants 318 MW	5 Nuclear power plants 3,177 MW

Projects under construction (2)

2 | 1 | 1

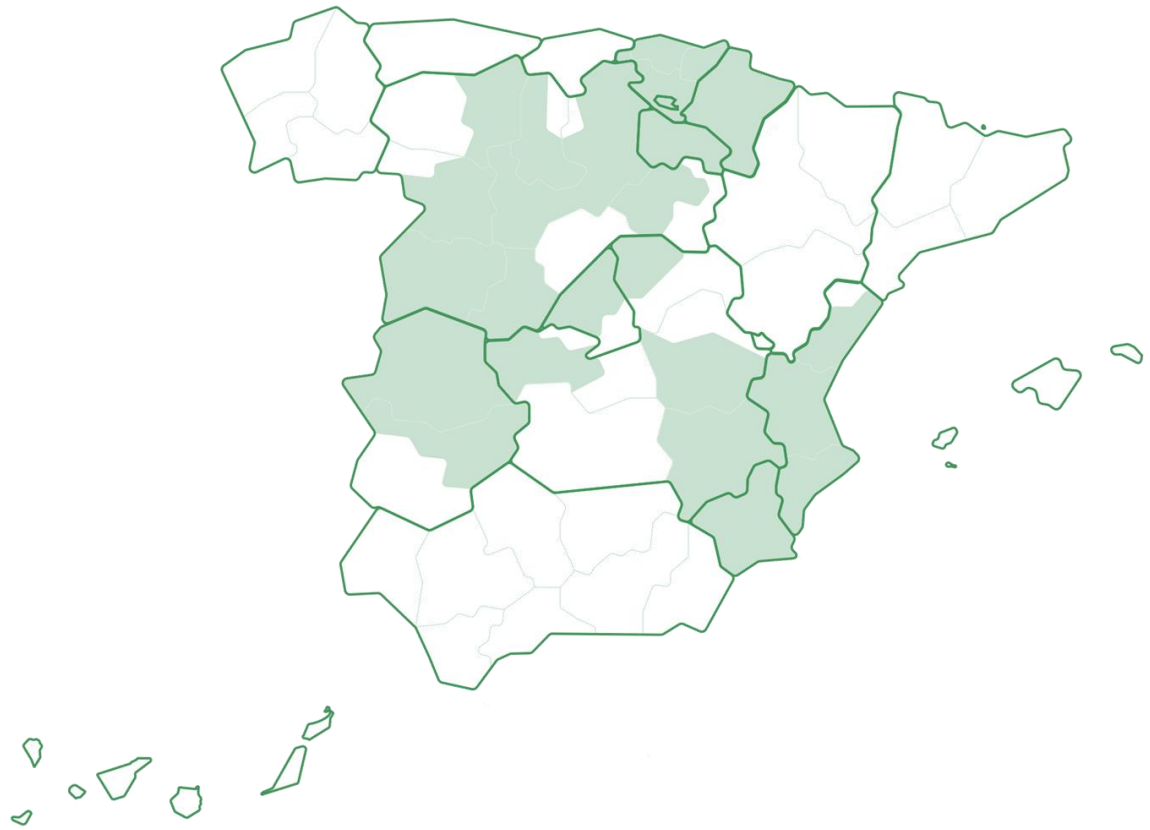
Installed Capacity (MW)	31,772
Renewable Capacity (MW)	22,582
Net Production (GWh)	62,039
Distributed Energy (GWh)	89,060
Customers (M)(3)	11.2
Km of lines	266,913

(1) The data on hydroelectric power plants include the Daivoes, Gouvaes and Alto Tâmega power plants in Portugal, although they visually appear on the Iberdrola Energía Internacional map
(2) Includes both projects under construction and projects with a positive decision to start construction (positive FID)
(3) Total number of electricity and gas customers.

Iberdrola España: Networks

As of December 2024, ~11.5 M smart meters installed and digitalization of ~100,000 secondary substations

	2024
RAB (Bn EUR)	9.3
Distributed energy (GWh)	89,060
Points of supply (M)	11.5
Kms of lines (M)	266,913



Iberdrola España: Networks

Distribution: Circular 6/2019 CNMC. Regulatory period: 2020-2025

- **Remuneration calculated by WACC methodology and reviewed every 6 years (regulatory period): 6.003% (before taxes) in 2020 and 5.58% (before taxes) from 2021 onwards.** Until 31 December 2019 the remuneration was linked to 10 Year-Treasury Bond, adding 200 bps on top of it, and reaching 6.5% of financial remuneration rate.
- **The remuneration has four components:**
  - i. **Remuneration of net regulatory asset value (CAPEX):** It maintains the regulatory asset (RAB) of investments made until 2018.
    - Remuneration of **existing assets on 31 December 2014** calculated according to Royal Decree 1048/2013 (Standard Costs (SC) are the reference for calculating regulatory assets):
      - Standard Costs corrected by a coefficient per company
      - Ceded assets are subtracted (assets prior to 1998 are estimated)
      - Assets are remunerated during their regulatory useful life (depending on accountability by company)
    - **Assets in operation since 1 January 2015 until 31 December 2018**
      - Standard Costs for those assets with standard costs while audited costs for the remaining
      - Assets are remunerated during their useful life (40 years for network assets and 12 for control systems)
    - New **assets in operation since 1 January 2019:** audited cost per installation
  - ii. **Remuneration of Manageable Component (OPEX):**
    - **O&M and "Other assets investments"** (systems not associated with digitalization, machinery, vehicles, buildings and tools): This term evolves according to the increase in remuneration for investment in electricity assets and with an adjustment factor, which takes the value of 0.97 per year, with the aim of bringing it closer to the real cost of the companies.
    - **Efficiencies:** companies can retain 100% of the efficiency gains obtained from the OPEX additional to the previous adjustment factor
  - iii. **Other regulated tasks:** reading, contracting, defaults, invoicing, customer service channels, planning and structure... according to Standard Costs and public domain use tax -7% compared to the previous regulatory period
  - iv. **Incentives:**
    - Quality and losses reduction: Each company will have bonuses or penalties, so that the whole is a "zero-sum". In the case of the loss incentive, a 2-year moratorium is proposed to analyse a possible zoning of the networks.
    - Fight against fraud: according to detected fraud. Eliminated from 2022 onwards
  - iv. **Annual maximum investment limit stablished by Government:** Royal Decree 1048/2013 limits the annual volume of investment in the electricity distribution network to 0.13% of Spain's GDP (Iberdrola's market share is c.31,5% as of 2022 and the PIB considered for the calculation is 1,312 M EUR, see source here)

Iberdrola España: Networks

Resolution of November 28, 2024 CNMC - Global Ratios Index 2025

- The Global Ratios Index is used to assess the **level of indebtness** and the economic-financial capacity of the companies that carry out regulated activities and their recommended ranges. In this sense, the principle of financial prudence is materialized in an economic penalty for those licensees that present a **Global Ratio Index value lower than 0.90.**
- The value of the Global Ratio Index (RGR) is calculated from the values obtained for the **5 financial ratios** defined in the Order "Comunicación 1/2019, de 23 de octubre" according to a defined formula contained in the aforementioned Order.
- The resolution of November 28, 2024 establishes the value of the **2025 global ratio index** and the penalty related to the financial prudence of companies that carry out the activities of transmission and distribution of electricity and the activities of transmission, regasification, underground storage and distribution of natural gas.
- The formula to calculate the index is the following:

$$IGR = 0{,}1\ x\ R1 + 0{,}05\ x\ R2 + 0{,}3\ x\ R3 + 0{,}2\ x\ R4 + 0{,}35\ x\ R5$$

where Ri will be 1 when the ratio calculated for the company is within the recommended range as established in chapter 5 of the order "Comunicación 1/2019", and Ri will be 0 when the aforementioned ratio is out of the recommended range

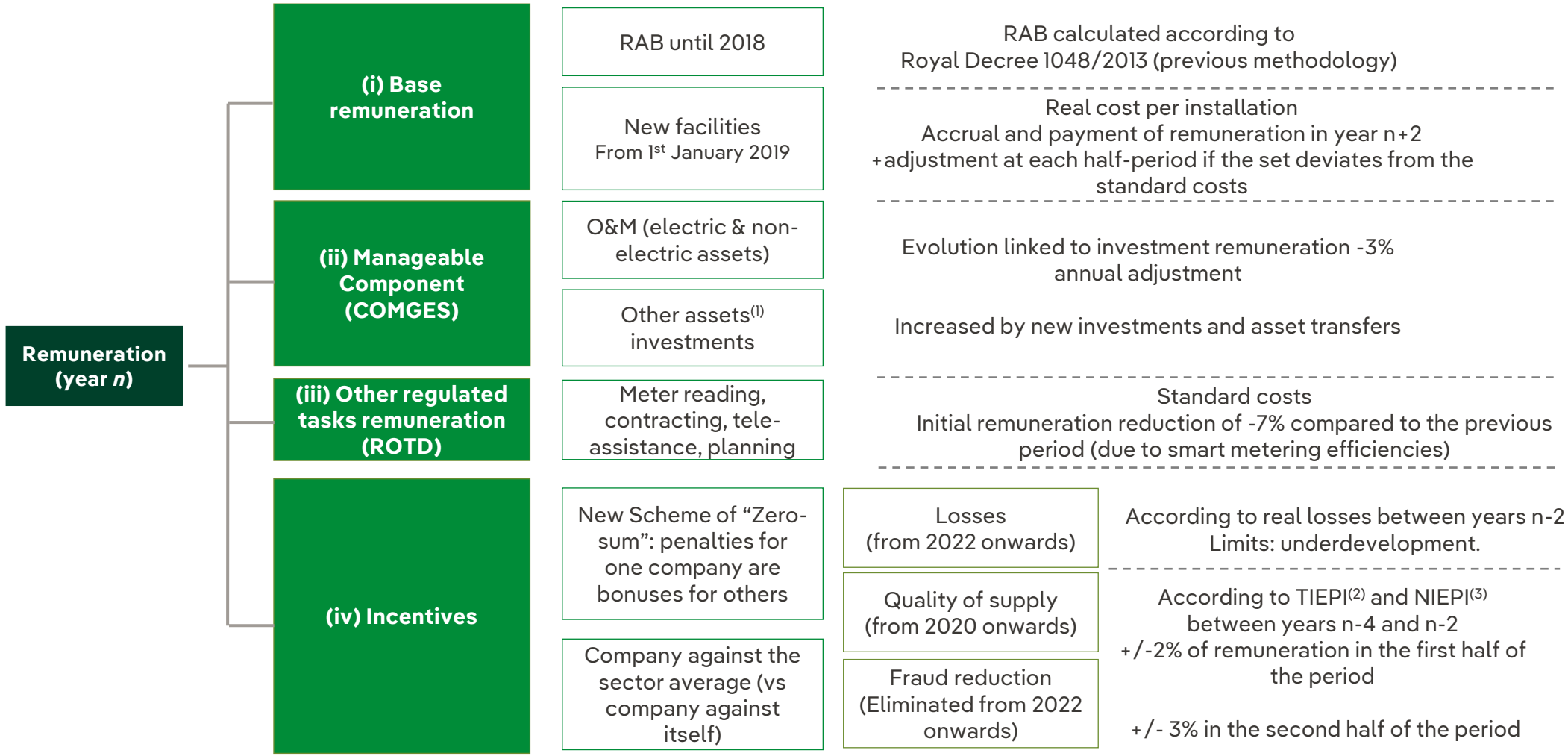
- The ratio per company is in the following table:

Empresas por actividad principal	Ratio 1	R1	Ratio 2	R2	Ratio 3	R3	Ratio 4	R4	Ratio 5	R5	IGR_{2025}
Transporte de energía eléctrica											
Red Eléctrica de España, SAU.	59 %	1	19,9	1	≤ 70 %	1	4,5	1	6,0	1	1
Distribución de energía eléctrica											
i-DE Redes Eléctricas Inteligentes, SAU.	50 %	1	13,0	1	≤ 70 %	1	4,0	1	6,3	1	1
UFD Distribución Electricidad, SA.	55 %	1	5,4	1	≤70 %	1	3,6	1	5,5	1	1
Viesgo Distribución Eléctrica, SL.	44 %	1	5,4	1	≤ 70 %	1	2,9	1	4,4	1	1
Hidrocantábrico Distribución Eléctrica, SAU.	43 %	1	6,2	1	≤ 70 %	1	2,8	1	4,5	1	1
E-Distribución Redes Digitales, SLU.	43 %	1	19,4	1	≤ 70 %	1	2,7	1	4,9	1	1
Barras Eléctricas Galaico-Asturianas, SA.	31 %	1	5,3	1	≤ 70 %	1	2,2	1	4,1	1	1

Source: Resolution November 28, 2024 available at https://https://www.boe.es/diario_boe/txt.php?id=BOE-A-2024-25651

Iberdrola España: Networks

Distribution: Circular 6/2019 CNMC. Regulatory period: 2020-2025

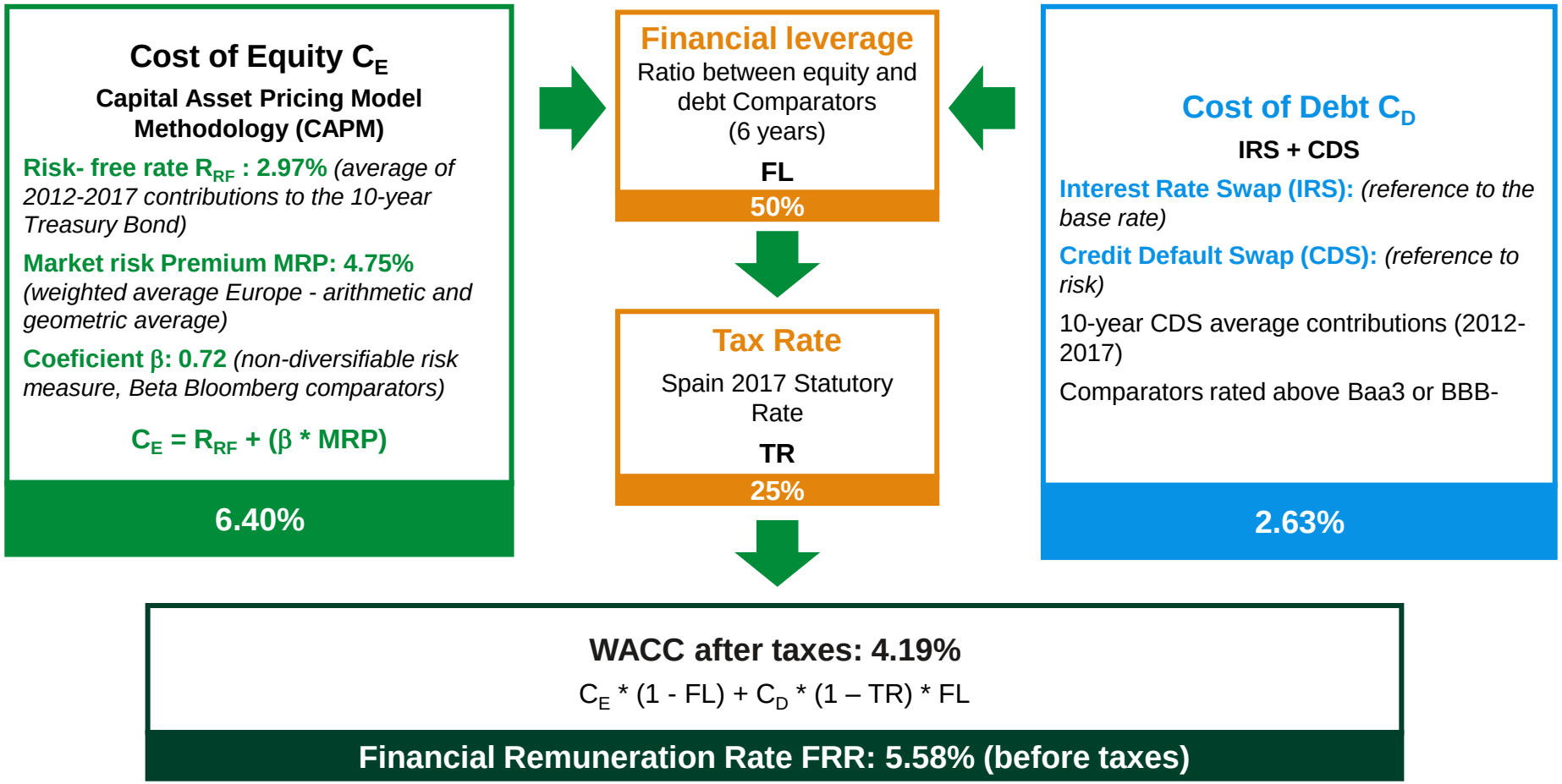


(1) **Other assets** include systems and communications not associated with digitalization, machinery, furniture, vehicles, buildings and tools
(2) **TIEPI**: Equivalent interruption time of the installed power at medium voltage
(3) **NIEPI**: Equivalent number of interruptions of the installed power at medium voltage
Note: You can find the last reference available for COMGES, ROTD and incentives here

Iberdrola España: Networks

Distribution: Circular 2/2019 CNMC. Financial Remuneration Rate for the period 2020-25 (WACC Methodology)

Calculation method for base remuneration



Iberdrola España: Electricity Production & Customers

Renewables

Onshore Wind

Year of Installation	MW (1)
1998	21
1999	36
2000	323
2001	308
2002	471
2003	552
2004	1.019
2005	424
2006	296
2007	683
2008	289
2009	553
2010	269
2011	130
2012	332
2018	18
2019	281
2020	287
2021	-168
2022	86
2023	340
2024	0
Total	**6,550**

Note: Net figure of new installed capacity minus asset rotation
(1) 258 MW consolidated through equity method
(2) Out of which ~4,300 MW are pumping hydro
(3) 2 MW of mini-hydro managed by investee companies

Hydro

Region	Total MW
Mediterranean Basin	2.165
Duero Basin	3.496
Sil Basin	1.582
Northern Basin	179
Tajo Basin	2.243
Portugal	1.158
Total	**10,823(2)**

Mini-hydro

	Total MW (3)
Mini-hydro	234

Batteries (BESS)

Project	Region	MW	Year of Installation
C. Arañuelo III	Cáceres	3	2021
Puertollano	Ciudad Real	5	2021
Abadiño	Vizcaya	6	2021
Urkilla	Álava	5	2022
Santiago Jares	Orense	5	2024
Valdecañas	Cáceres	15	2024
Total		**39**	

Iberdrola España: Electricity Production & Customers

Renewables

Solar PV (I)

Project	Region	MW	Year of Installation
Nuñez de Balboa	Badajoz	500	2019
Andévalo	Huelva	50	2020
Teruel	Teruel	50	2020
Romeral	Cuenca	50	2020
Olmedilla	Cuenca	50	2020
Campo Arañuelo I	Cáceres	50	2020-2021
Campo Arañuelo II	Cáceres	50	2020-2021
Campo Arañuelo III	Cáceres	40	2020-2021
Ceclavín	Cáceres	328	2020-2021
Majada Alta	Cáceres	50	2020-2021
San Antonio	Cáceres	50	2020-2021
Barcience	Toledo	50	2020-2021
Francisco Pizarro	Cáceres	590	2021 - 2023 (Phase III)
Arenales	Cáceres	150	2021
Puertollano	Ciudad Real	100	2021
Revilla-Vallejera	Burgos	50	2021-2022
Almaraz 1	Cáceres	50	2022
Almaraz 2	Cáceres	30	2022
Cornicabra (Guillena)	Sevilla	50	2022-2023
Espliego (Guillena)	Sevilla	44	2022-2023

Iberdrola España: Electricity Production & Customers

Renewables

Solar PV (II)

Project	Region	MW	Year of Installation
Poleo (Guillena)	Sevilla	50	2022-2023
Cespedera	Cádiz	27	2022-2023
Llanos Pelaos III	Fuerteventura	7	2022-2023
Tagus I	Cáceres	50	2022
Tagus II	Cáceres	50	2022
Tagus III	Cáceres	50	2022-2023
Tagus IV	Cáceres	50	2022
Manantiales I	Guadalajara	30	2022
Valbuena	Guadalajara	49	2022
Villarino	Salamanca	50	2022
Virgen de Areños III	Palencia	50	2022-2023
Peñarrubia	Murcia	50	2023
Balsicas - Sabic	Murcia	100	2023
Fuentes	Guadalajara	50	2023
Velilla	Palencia	350	2023-2024
Cedillo	Cáceres	375	2023
Salinas I	Cuenca	49	2023
Salinas II	Cuenca	49	2023
Salinas III	Cuenca	49	2023
Hyb Ballestas y Casetona	Burgos	74	2023
Tagus XL	Cáceres	380	2024
Caparacena	Granada	330	2024
Fuendetodos	Zaragoza	125	2024
Ciudad Rodrigo	Salamanca	111	2024
Total		**4,937**	

Iberdrola España: Electricity Production & Customers

Conventional generation

Nuclear	Region	Total MW	% IBE	MW attributable to IBE	COD
Almaraz I	Cáceres	1,049	53%	553	1983
Almaraz II	Cáceres	1,044	53%	550	1984
Ascó II	Tarragona	1,027	15%	154	1986
Cofrentes	Valencia	1,092	100%	1,092	1985
Trillo	Guadalajara	1,066	49%	523	1988
Vandellós II	Tarragona	1,087	28%	304	1988
Total		**6,365**		**3,177**	

Gas Combined Cycle	Region	Total MW	COD
Castellón III	Castellón	793	2002
Castejón	Navarra	386	2003
Tarragona Power	Tarragona	424	2004
Aceca III	Toledo	392	2005
Arcos I	Cádiz	396	2005
Arcos II	Cádiz	379	2005
Santurce	Vizcaya	403	2005
Arcos III	Cádiz	837	2006
Escombreras	Murcia	831	2006
Castellón IV	Castellón	854	2008
Total		**5,695**	

Iberdrola España: Electricity Production & Customers

Conventional generation

Cogeneration	Region	Total MW	MW attributable to IBE	COD
Energyworks Carballo	La Coruña	9	9	1998
Peninsular Cogeneración SA	Madrid	39	19	2001
Energyworks Cartagena	Murcia	95	95	2002
Investee companies	n.a.	48	24	1990-2006
Energyworks Michelin (Vitoria, Valladolid y Aranda)	n.a.	126	126	2001-2002
Pig slurry treatment plants (4 plants)	n.a.	52	45	2003-2007
Total		**369**	**318**	

Iberdrola España: Electricity Production & Customers

Projects under construction

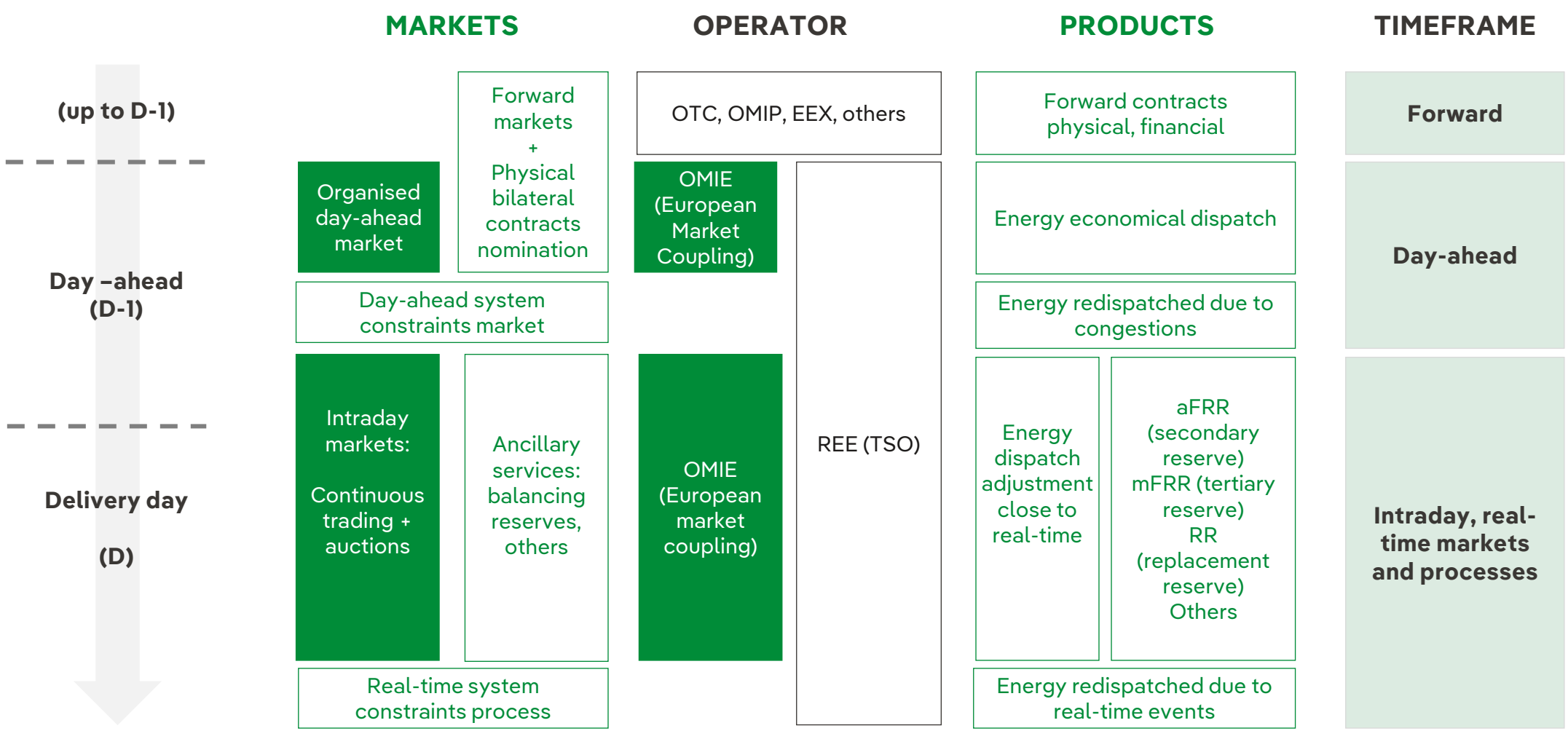
Project	Type	Region	Total MW	MW installed as of Dec´24	MW pending	Year of Installation
Iglesias	Onshore	Burgos	70	-	70	2025-26
El Escudo	Onshore	Cantabria	101	-	101	2025
Finca San Juan	Onshore	Tenerife	17	-	17	2025
Ciudad Rodrigo	Solar	Salamanca	316	111	205	2024-2025
Tâmega	Onshore	Portugal	274	-	274	2025-26
Revilla-Vallejera	Hybrid BESS/PV	Castilla y León	25	-	25	2025
Total			**804**	**111**	**692**	

Projects concluded in 2024

Project	Type	Region	Total MW	Year of Installation
Velilla	Solar	Palencia	350	2023-2024
Fuendetodos	Solar	Aragon	125	2024
Tagus XL	Solar	Cáceres	380	2024
Caparacena	Solar	Granada	330	2024
Total			**1,185**	

Iberdrola España: Electricity Production & Customers

Basis for remuneration model: Law 24/2013[1]

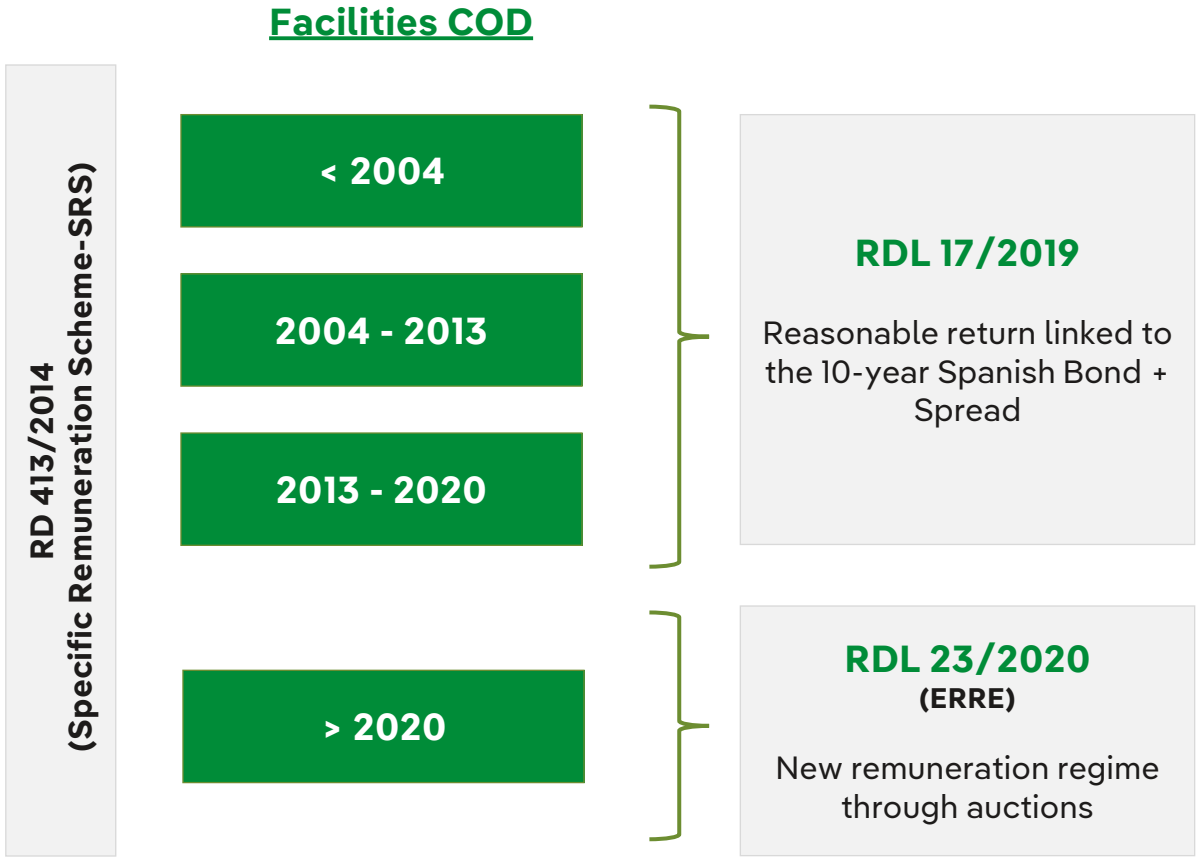


(1) Applicable to all technologies

Iberdrola España: Electricity Production & Customers

Regulatory framework for wind and solar

- One of the possibilities to develop new projects is to adhere to the regulatory framework explained below.
- The Specific Remuneration Scheme (SRS) established by RD 413/2014 is still in force for all renewables. In addition, in parallel, the **New Economic Regime for Renewable Energy (ERRE)** through auctions has been enabled.
- The SRS applies to all facilities installed before RDL 9/2013 and to all subsequent ones that have been awarded this SRS through auctions.



< 2004: do not receive a fixed payment per MW as they have reached the established reasonable return

< 2013: 7.398% allowed rate of return for 2020- 2031. (RDL 17/2019 gives the option, to facilities under SRS, to receive this return if they renounce to continue or to initiate new arbitration proceedings)

> 2013: 7.09% allowed rate of return for 2020 - 2025

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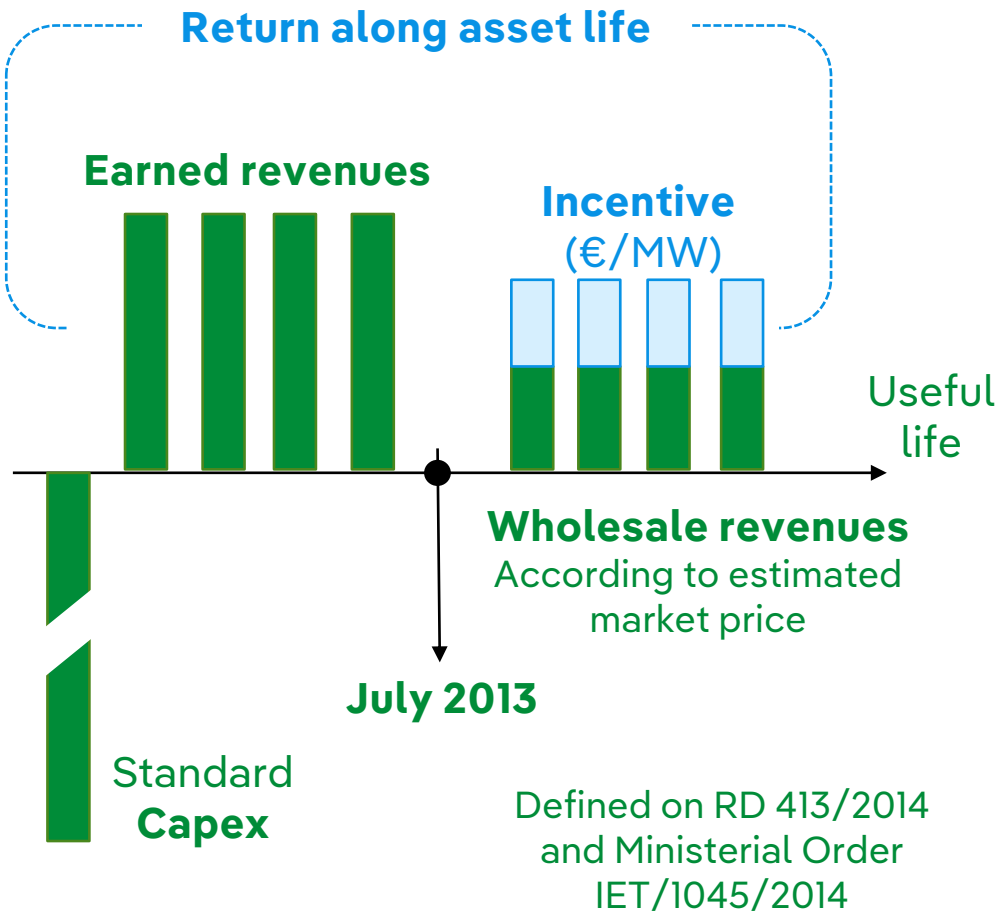
Renewables, cogeneration and waste: Royal Decree-Laws 9/2013 and 413/2014

Complementary incentives
(RI €/MW + RO €/MWh)

Allowed rate of return:
7.398% / 7.09% before /after RDL 9/2013
Ministerial Order TED/171

Competitive process
for new assets

Law 24/2013



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Renewables, cogeneration and waste: Law 24/2013, Royal Decree 413/2014 and Royal Decree Law 17/2019 and Royal Decree Law 6/2022

- **Allowed rate of return (before taxes) of 7.398% until 2031 for facilities in operation before RDL 9/2013. For facilities in operation after RDL 9/2013, allowed rate of return of 7.09% until 2025 following CNMC published WACC methodology**
  For those facilities in operation before RDL 9/2013 with any pending arbitration or judicial proceeding related to the modification of the Remuneration Regime after RD 661/2007, early termination of arbitration or judicial procedure or the waiver of the perception of compensation is a mandatory requirement prior to obtain the 7.398% allowed rate of return until 2031. (*Royal Decree Law 17/2019*)
- **Remuneration based on revenues from market participation, with a specific additional remuneration based in two terms:**
  - **RI:** A term per unit of installed capacity (€/MW) that covers the investment costs of a standard installation that cannot be recovered by the sale of energy. Allowing the installation to achieve a reasonable return defined by the Government.
  - **RO: A** term for operation (€/MWh) that covers the difference between operating costs and the revenues from the market participation of such standard installation. The installation of renewable energies, cogeneration or waste will not receive such remuneration for operation as long as its income from the sale of electricity in the system is higher than its operating costs.
- **Parameter modification:**
  - **Every 6 years** all the parameters could be changed (including reasonable return) for the remaining useful life, except for the useful life and standard value of the initial investment of an installation;
    - Order TED/171/2020 establishes the remuneration parameters to estimate the regulated remuneration of renewables and cogeneration for the 2020-2025 regulatory period. It recognized a higher cost of CO2, a higher fuel price (which improves the RO of these plants by 14 €/MWh) and the remuneration for the cost of the System Operator (0.14 €/MWh)
  - **Every 3 years**, and for the rest of the regulatory period, the estimation of revenues from the market will be reviewed, valuing the energy sold at market price based on market price evolution and the forecast for operating hours. **Royal Decree Law 6/2022 establishes an additional exceptional review with effect from January 1, 2022.** The review of parameters scheduled for 31/12/2022 was brought forward to 1/01/2022, dividing the current three-year semi-periodic remuneration period of 2020-2021-2022 into two periods: (1) 2020-2021 and (2) 2022
  - **From 2023-26 semi-period onwards, the reference price for calculating the remuneration will be a basket of forward, daily and intraday market products prices.** The forward indexation path is: 25% in 2023, 50% in 2024 and 75% from 2025 onwards). Additionally, the adjustment for price deviation in the market will no longer be applied, encouraging facilities to sell on PPA. **(Royal Decree Law 6/2022 & Royal Decree Law 10/2022)**
  - **The remuneration system is extraordinarily modified for the period 2023-2025 to adapt it to current market prices**. The new methodology (spot January-May 2023 + futures June-Dec 2023) set a price for 2023 109.31€/MWh (previous estimated 208€/MWh), price for 2024 108.86€/MWh (previous estimated 129.66€/MWh) and for 2025 89.37€/MWh (previous estimate 78.19€/MWh) **(Royal Decree Law 5/2023-new methodology for setting estimated prices, Orden TED 741/2023 - remuneration parameters for period 2023-2025)**
  - **Royal Decree Law 8/2023 (27th December 2023)** the market deviation adjustment for 2024 will consider the minimum value between the 2024 futures basket and the 2024 average daily and intraday market price 2024. Applies to all installations with Rinv. The CNMC will recalculate 2024 RECORE premiums to include the IVPEE.

Iberdrola España: Electricity Production & Customers

New Economic Regime for Renewable Energy (ERRE) through auctions

Royal Decree Law 23/2020 (24 June 2020) gave the Government the mandate to develop a new remuneration regime

In addition to the remuneration scheme established in RD-L 9/2013, the Government will develop another remuneration framework based on recognizing a long-term price for energy produced by new electricity production facilities, through auctions.

Royal Decree 960/2020 (4 November 2020) describes the new support system

This RD sets up a very flexible system to be concreted in various Ministerial Orders and Call Resolutions:

- **Product to be auctioned**: power (MW), energy (MWh) or a combination of both
- **Variable to offer** participants will bid a long-term price for energy in €/MWh (10-15 years)
- **Awarded price can be corrected** by an exposition to the market price percentage [price received (h) = price awarded + % exposition * (Daily Market Price (h) + Price Awarded)]
- **Pay as bid auction** with a maximum price and a possible risk price
- Participants must **provide guarantees** to participate
- Winners can install more capacity than the amount awarded in the auction

Royal Decree Law 8/2023 (27th December 2023) modified Royal Decree 960/2020 to include non-economic criteria with a maximum weighting of 30% (art. 48): resilience, environmental sustainability, innovation and socioeconomic criteria.

Royal Decree 962/2024 (September 25, 2024) establishes the framework for the development of offshore wind energy.

- It allows marine renewables to receive regulated remuneration based on the ERRE (RD 960/2020), for a period of up to 30 years.
- The awardees will have a reserved capacity for network access.
- The competitive bidding process may include prequalification criteria and non-price criteria.

Ministerial Order TED/1161

- An indicative calendar for the next five years is published. Almost 20 GW will be auctioned in the period 2020 – 2025.
- Remuneration parameters are set per technology (min. and max. yearly equivalent hours)
- Auctioned product: installed power (kW)
- Facilities with storage: if they want to participate cannot charge buying electricity from the market.
- Only new facilities can participate (the earliest from start of works or first firm commitment to order equipment).
- Participation guarantees amount 60 €/kW (to be partially released if certain milestones are met)
- 50% of auctioned volume is the maximum quantity to be awarded to one company

There will be one Ministerial Order and Call Resolutions for each auction

They will establish the volume to be auctioned for each technology. During 2021 and 2022 four auctions have taken place (no auctions celebrated since 2022):

1) January 2021: 3.043 MW awarded at the average price of 24,75 €/MWh
2) October 2021: 3.123 MW awarded at the average price of 30,58 €/MWh
3) October 2022: 177 MW was awarded (520 MW called for). The average price for biomass: 93,1 €/MWh and 53,9 €/MWh for PV.
4) November 2022: 45.5 MW of wind power were awarded (3,300 MW called for) at the average price of 42,8 €/MWh, leaving the bidding deserted for PV sector.

Iberdrola España: Electricity Production & Customers

Administrative streamlining and simplification measures, which include a mechanism to speed up environmental processing for government projects

- Royal Decree-Law 14/2022 classifies **hybridization with storage** for metering and registration purposes under Type 3. Hydroelectric storage is also promoted by permitting modifications to existing hydroelectric facilities by adding electronic power stages, provided the changes allow for reversible operation of the facility, without the generation technology itself being considered modified and therefore without the need to obtain new access permits.
- Royal Decree-Law 17/2022, stablishes **a maximum period of 15 days for the CNMC to prepare the mandatory report for the authorisation of facilities, with silence considered as approval and the possibility of a favorable report without detailed analysis if the project developer has already received another favorable report for the same technology in the last two years.**
- Royal Decree-Law 18/2022 contain the following measures:
  - **More than one facility may be installed in the same cadastral reference**.
  - Direct lines: the obligation to belong to the same business group is waived for renewable production facilities that connect to a consumer.
  - Small power facilities: **exonerates facilities of up to 500 kW (previously 100 kW in Low Voltage) from the Prior Administrative Authorisation and Construction Authorisation.**
  - **Free depreciation for investments in facilities such as self-consumption of electricity and thermal use for own consumption (i.e heat pumps), provided that they use energy from renewable sources and replace facilities that used energy from fossil fuel sources.**
- Royal Decree-Law 20/2022 contain a final set of measures that simplified the procedures for **renewable projects that fall within the competence of the State**:
  - **“New" renewable projects** (that request Administrative Authorization until 12/31/2024) **are subject to an environmental impact assessment procedure.** It offers the **possibility of issuing a favourable report by the environmental agency instead of being subject to DIA**, except Red Natura, protected areas, marine environment, lines >220 kV and >15 km.
  - **The new projects (that obtain a favourable report) are declared urgent** for reasons of public interest **and a simplified procedure applies to them.**
  - **Additionally, it extends the self-consumption limit** in the proximity of 2,000 metres (previously 1,000 metres), for solar PV installations on roofs, industrial land and artificial structures (new).

Iberdrola España: Electricity Production & Customers

Permitting and grid access processes are modified

Extension of the deadline for accrediting the obtention of the Construction Authorization

- **Royal Decree-Law 5/2023.** The permitting process is modified to **extend the deadline** of construction authorization (*AAC: Autorización Administrativa de Construcción)*) to **additional 6 months** for following projects:
  - Grid permission obtained **between January 2008 and June 2020:** the deadline to obtain the AAC is extended **until 25.01.2024** (previous one until 25.07.2023)
  - Grid permission obtained **between June 2020 and** the **entry into force of the RDL 5/2023 (30.06.2023):** the term to meet the milestone is 43 months (previous one 37 months)

    Royal Decree-Law 8/2023. The permitting process is modified to:
    - extend the deadline of construction authorization (AAc) **to additional 6 months** (25.07.2024 for grid permission **obtained before Royal Decree-Law 23/2020 and after 31.12.2017**)
    - once AAC is achieved, the extension of the AAE up to **8 years (June 25, 2028)** can be requested during 3 months after AAc. The semester in which you commit to obtain AAE must be indicated in the application
    - for offshore and pump hydro and is extended up to 9 years (previous one 7 years)
  - The grid permission process is modified to:
    - ✓ consider new conditions to include a grid node as a contest node (number of applications in the previous 4 years vs. in the previous 2 years). Additional points are introduced in contests for having DIA and not grid permission.
    - ✓ in requests for demand access for self-consumption with generation access permits, it may not be granted for a capacity greater than 50% of the capacity of the generation permission. Grid permission access for demand will expire after 5 years.
    - ✓ include contests for capacity demand requests if more capacity than available is required.
    - ✓ include demand access guarantees 40€ /kW, same as generation access. In case of storage projects, the access guarantee will be 20€/kW.

Inclusion of certain technologies under the environmental assessment

- **Royal Decree 455/2023** modifies environmental process authorization in order to include the following technologies under the environmental process:
  - Ordinary Environmental Assessment for hydro plants and standalone storage
  - Simplified Environmental Assessment for networks <3km, standalone storage and hybrid storage.

Criteria for Evaluating Available Capacity

- **Circular 1/2024 of the CNMC.** Develops el RD 1183/2020 on Access and connection in relation to demand.
  - Establishes the mínimum information required in applications.
  - Sets the possibility of grouping applications.

Iberdrola España: Electricity Production & Customers

Royal Decree-Law 1/2025, approving urgent measures in economic, transport, and Social Security matters, and to address situations of vulnerability.

- **Supply Guarantee.** The prohibition on cutting off electricity, gas, and water to vulnerable consumers benefiting from the social electricity bonus is extended until December 31, 2025.
- **Social Bonus Discounts**. Extended social bonus discounts have been set for 2025. Until June 30, 2025 they offer a 50% discount for vulnerable individuals and 65% for those severely vulnerable. From July to December 31, 2025, the discounts will be 42.5% for vulnerable individuals and 57.5% for those severely vulnerable.

Iberdrola España: Electricity Production & Customers

Royal Decree Law 8/2023, adopting measures to address the economic and social consequences derived from the conflicts in Ukraine and the Middle East, as well as to alleviate the effects of the drought:

- **Reduction mechanism RDL 17/21: It is not extended**, so it ends in December 2023, in accordance with the European market design agreement.
- **IVPEE** *(Impuesto sobre el Valor de la Producción de la Energía Eléctrica)* **del 7%:** Will be reapplied in 2024, with a reduction of 50% in 1Q and 25% in 2Q.
- **Sales tax on energy companies:** The special tax on energy companies will remain in place in 2024 (with the revenue base of 2023). The RDL introduces a text that talks about the possibility of reducing this tax in 2024 by deducting strategic investments in industrial decarbonization.
- **Pumping concessions:** Pumping concessions are allowed to be extended in the event of repowering.
- **VAT on Electricity**: reduced rate of 10% on electricity (up to 10 kW) throughout 2024 and for natural gas during Q1'24 (until 31/12/2023 it is 5%). After that, it would return to 21%.
- **Electricity tax:** it increases gradually throughout the year until it returns to pre-crisis levels.
- **Social bonus:** The increase in the discounts of the social bonus that they made during the crisis until 30th June. The fee to be paid by financiers is reduced by 80% due to lower expected energy costs and the surplus generated in 2023.
- **Electro-intensive:** They maintain a reduction (80%) of tolls to electro-intensive and the possibility of modifying their contracted power until June 2024.
- **System charges and surplus:** enables the transfer of the necessary part of the surplus from 2023 to 2024 to cover system charges, extending the current charges until they are reviewed throughout the year.
- **Demand access:** economic guarantees and expiration of 5 years are set for applications with voltage equal to or greater than 36 kV for demand access and connection permits and competitions in case of nodes saturated with voltage equal to or greater than 220 kV.
- **Hydrogen backbone network:** Enagás is designated as manager, provisionally and subject to separation of activities.

(1) Applicable also to non-regulated renewables

Iberdrola España: Electricity Production & Customers

Taxes: Law 15/2012 and RDL 8/2023

Value Added Tax	Impuesto Especial sobre la Electricidad (IEE)	Tax on electricity production[1]	Nuclear tax	Green cent	Hydro canon[1]
• 21%.	• 5.11%.	• 7% tax on total revenues	• Spent nuclear fuel (2,190 €/Kg) • Nuclear waste (6,000 €/m3 waste) • ENRESA tax currently at €10.36/MW	• Fuel consumption in power plants	• 25.5% on total revenues • 2.5% plants up to 50MW[1] • 2.5% pumping[1]

1,2% Revenue tax. Temporary levy set on revenues under Law 38/2022

- **Temporary levy** for companies in the electricity, gas and oil sectors with main operator status.
- Set at **1.2% of their revenues**, on a **temporary basis** for the years **2023 and 2024**.
- **Revenues from regulated activities** and **permanent abroad establishments** are **excluded from this tax**.
- The **special tax on energy** companies is repealed, **it does not apply for the year 2025.**

(1) According to Law 7 2022 there is a 92% and 90% reduction in the hydro canon for hydroelectric power plants up to 50 MW and pumping facilities, respectively.

Iberdrola España: Electricity Production & Customers

Cogeneration: Royal Decree-Law 17/2022 and 20/2022

- **Royal Decree-Law 17/2022 allows mainland cogeneration plants to temporarily receive the generation market adjustment mechanism (gas cap) in exchange for waiving the regulated remuneration.** It applies only to facilities under the specific remuneration regime, from the time they apply for registration under the adjustment mechanism (starting on the first day of the following month) until they apply for de-registration or the mechanism is discontinued. Thereafter, they will return to their previous regulated remuneration.
- **For cogeneration, Royal Decree-Law 20/2022** establishes that until the **new calculation methodology** is published**, the regulated Operating Remuneration (OR) will be updated based on half-yearly variations in raw material and gas tariffs.**
- **A series of Ministerial Orders stablished:**

  i. The remuneration corresponding to the second calendar half-year of 2020 and the first calendar half-year of 2021 (Order TED/989/2022 of 11 October).

  ii. The values of the operating remuneration corresponding to the first calendar half-year of 2019 (Order TED/990/2022 of 11 October).

  iii. The operating remuneration for the second half of 2021 for facilities whose operating costs depend essentially on fuel prices (Order TED/995/2022 of 14 October).

  iv. As envisaged in Royal Decree Law 6/2022, the values for the extraordinary review of the remuneration parameters as of 1 January 2022 were also published (Order TED/1232/2022, of 2 December).

  v. Lastly, the operating remuneration (OR) for cogeneration and waste in the second half of 2022 was published (Order TED/1295/2022 of 22 December).

Iberdrola España: Electricity Production & Customers

Cogeneration: basis for remuneration – Royal Decree-Laws 9/2013 and 413/2014

Market price + **Specific remuneration RI+RO**

RI: remuneration to investment (€/MW)	**RO: remuneration to operation (€/MWh)**
Additional to market revenues to obtain the reasonable return on investment (7.398%)	For technologies that don't cover their operating costs with market revenues
RI + RO only if the plant has not reached yet the reasonable return	**Once reasonable return is reached, only RO will be received**

Iberdrola España: Electricity Production & Customers

Nuclear

- The Spanish National Energy and Climate Plan (PNIEC) considers that **4,200 MW of nuclear generation** plants **will shut down** in the **period 2025 – 2030**.
- The **nuclear operators**, together with **ENRESA**, have **agreed on a schedule for closure** of **Spanish nuclear power plants**. This closure schedule complies with all safety, technical, ageing, waste and decommissioning resources criteria.

	Closing schedule	
Almaraz I	nov-27	44.2 years
Almaraz II	oct-28	44.3 years
Ascó I	oct-30	45.8 years
Cofrentes	nov-30	45.6 years
Ascó II	sep-32	46.4 years
Vandellós II	feb-35	46.9 years
Trillo	may-35	46.7 years
	Average life	**45.7 years**

- **Almaraz I&II, Vandellós II, Cofrentes** and **Asco I&II** nuclear power plants have **already obtained the approval** for Operating License Renewal (up to the closing dates agreed in the protocol signed with ENRESA for all plants except Vandellos II (until 26th July 2030) and Ascó II (until 1st October 2031).
- **Royal Decree 589/2024** has **risen** the **waste fee** charged by ENRESA **to € 10.36 /MWh** as of **1 July 2024** (+30% vs. previous rate of € 7.98 / MWh).

Note: The dismantling and management of radioactive waste is an essential public service, whose management is entrusted by law to the State-owned company Enresa (Empresa Nacional de Residuos Radiactivos, S.A.)

Iberdrola España: Electricity Production & Customers

Customers

Regulated tariff (PVPC)

PVPC – Royal Decree 216/2014

- Regulated tariff. For consumers with capacity contracted <10 kW
- Components:
  - Hourly prices in wholesale market, published by Red Eléctrica
  - Access tariff and fees, published in the Official Spanish Gazette (BOE)
  - Supply margin, published in the Official Spanish Gazette (BOE)
  - Taxes (VAT – 21% / Electricity tax – around 5%)

New PVPC price – Royal Decree 446/2023

- PVPC redesigned to be partially indexed to forward instead of just spot prices, according to the European Commission requirement
- It entered into force on January 1st, 2024, and is limited to domestic customers and microenterprises with contracted power <10 kW
- Royal Decree gives suppliers six months to purchase energy indexed to futures.

Weight of the forward market

2024: 25%
2025: 40%
2026: 55%

The forward market consists of:

Annual forward market:	54%
Semiannual forward market:	36%
Monthly forward market :	10%

PVPC hourly price formula:

% of forward basket price for the month (constant) +% of daily hourly market price including Adjustment Services

- The forward price varies each month.
- The volume of forward energy to be purchased shall be calculated and published ex-ante by the system operator.
- The regulated suppliers buy the energy in the forward market during the six months prior to the delivery period.
- The difference to the actual hourly demand is bought in the spot at the corresponding hourly market price.
- The price will therefore follow the behavioral curve of the hourly market price (damped by the effect of the forward market).
- The cost of financing the social bonus charged to the regulated suppliers is recognized in the calculation of the PVPC.
- This RD contemplates a transitional period for regulated suppliers to recover the cost of the social bonus they have been paying since March 2022 (when the new financing system for the social bonus began with RDL 6/2022).

Iberdrola España: Electricity Production & Customers

Social Bonus

Royal Decree 897/2017 (Social Bonus regime prior to Royal Decree-Law 6/2022)

- Discount applied to electricity bill (25% vulnerable customers / 40% severe vulnerable customers), according to:
  - Income criteria
  - Limits to consumption
- Two types of vulnerable consumers and groups with special conditions

Royal Decree Law 23/2021: increased the discounts up to 60% and 70%, respectively.

Royal Decree Law 6/2022

- Under Royal Decree-Law 6/2022, a new system for financing the Social Bonus has been established, which is binding on all companies engaged in electricity activities, (production, transmission, distribution, supplying and direct consumers), recognizing the cost for all companies engaged in regulated activities
- The parameters for 2022 are the following (Orden TED/733/2022)
  - Energy producers: 1.294768 Eur/MWh
  - Transmission company: 0.005716 Eur/Remunerated Eur
  - Distribution companies: 1.151582 Eur/Supply Point
  - Suppliers: 13.401931 Eur/Supply Point
  - Direct costumers in the market: 1.282647 Eur/MWh

Royal Decree Law 18/2022:

- Increased the discounts up to 65%-80%, respectively, until 31st December 2023
- Increased 15% in subsidized energy.
- Created a new transitional reduced tariff with a 40% discount for low income households, until 31st December 2023.
- Created a new transitional gas LRT (Last Resort Tariff) for residential communities with communal boilers, and extends the restriction on the increase in the LRT for gas, both until 31st December 2023. The possible deficit is covered by a EUR 3,000 million budget item in the General State Budget. The budget for the thermal bonus is also increased by EUR 225 million.
- Included the prohibition of electricity and natural gas supply cutoffs for vulnerable consumers until 31st December 2023

Iberdrola España: Electricity Production & Customers

Social Bonus

Royal Decree Law 8/2023:

- The prohibition on cutting off supply is extended until 30/06/2024.
- Social Bonus: extended until 30/06/2024 with extended discounts (65% for vulnerable and 80% for severely vulnerable).
- Establishes new unitary financing by activities from 01/01/2024, with relevant reductions:

Activity	Unit	2023	2024	% Reduction
Production	(€/MWh)	1,466465	0,238676	84%
Transport	(€/€ Paid)	0,005618	0,001356	76%
Distribution	(€/CUPS)	1,161768	0,310777	73%
Retail	(€/CUPS)	14,024972	2,299047	84%
Direct Consumers	(€/MWh)	1,421668	0,219448	85%

Royal Decree Law 1/2025:

- The prohibition on cutting off supply is extended until December, 31st 2025.
- **Social Bonus:** extended discounts are available until June 30, 2025, offering 50% for vulnerable individuals and 65% for those severely vulnerable. Additionally, discounts will continue until December 31, 2025, providing 42.5% for vulnerable individuals and 57.5% for those severely vulnerable.

Iberdrola España: Electricity Production & Customers

Customers

Electricity access fees

- Royal Decree-law 1/2019 assigned the CNMC the competence to develop the methodology to establish electricity network tariffs, while the Government has kept the competence to regulate other charges related to the electricity sector. This way, new third party access tariffs are disaggregated into charges (Ministry competence, designed to collect policy costs) and network tariffs (CNMC competence, designed to collect costs associated to networks use).
- The new network tariffs and the new electricity system charges entered into force on **1st June 2021.**

CNMC methodology for electricity network tariffs. Circular 3/2020

- Distinction of fixed (€/kW) – variable (c€/kWh) structure is maintained.
- Domestic customers (P≤15KW) are unified in a single tariff group (2.0TD), which replaces the 6 previous domestic tariffs (2.0A, 2.0DHA, 2.0DHS, 2.1A, 2.1DHA y 2.1DHS).
- The tariff periods are modified: 3 periods for domestic customers and 6 periods for SMEs and industrial customers.
- An optional tariff for public electric vehicle charging points is incorporated, which is attractive for low-use points

Royal Decree 148/2021 on the methodology for calculating electricity system charges

(Renewable incentives, historical tariff deficits and costs for non-mainland regulated generation)

- The RD establishes a structure of charges similar to electricity networks tariffs
- The new charges scheme aimed to preserve an amount equivalent to the one obtained with the previous prices for each tariff segment.

Joint effect: electricity network tariffs + electricity system charges

Voltage level contracted	Previous network tariffs and charges	New network tariffs and charges
< 15 kW (Low voltage)	60% fixed term 40% variable term	50% fixed term 50% variable term
>15 kW (High voltage)	80% fixed term 20% variable term	60% fixed term 40% variable term

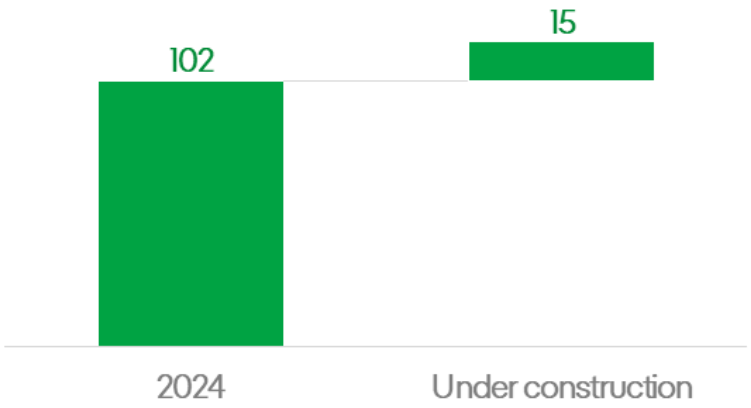
Note: Low voltage tariffs: They will apply to supplies made to voltages not exceeding 1 kV

- 2.0TD tariff: simple rate for low voltage, power under 15 kW. Three periods of energy and two of power.
- 3.0TD tariff: general rate for low voltage, power over 15 kW. Six periods of energy and power.

Iberdrola España: Electricity Production & Customers

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	~102 M kWh	~4,318 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 1			In operation
Soutelo			In operation
Tâmega			In operation
Santiago Jares			In operation
Valparaíso			In operation
Torrejón – Valdecañas	~15M kWh	290 MW	*Under construction (COD 2025-2026)*

Content

All figures as of December 2024, except otherwise stated. Differences may arise due to rounding

Scottish Power

Transmission and distribution networks in Scotland, Wales & England. 100% renewable electricity. Electricity and gas supply

Main offices
Electricity distribution
Area of influence
Electricity North West (since March 2025)

Installed Capacity (MW)	2,996
Renewable Capacity (MW)	2,996
Net Production (GWh)	7,279
Distributed Energy (GWh)	30,540
Customers (M)(1)	4.3
Km of lines	111,822

38 Onshore wind 1,968 MW

2 Offshore wind farms 908 MW

2 Solar photovoltaic plants 19 MW

3 Batteries 101 MW

1 Transmission line

Projects under construction

4 **1** **1** **2**

(1) Total number of liberalised market electricity and gas customers

Scottish Power: Networks

One of the largest distribution companies and one of the 3 companies with Transmission licenses in the country

	2024[1]
RAB (Bn GBP)[2]	9.8
SP Distribution	28%
SP Manweb	31%
SP Transmission	41%
Distributed energy (GWh)	30,540
SP Distribution	55%
SP Manweb	45%
Points of supply (M)	3.6
SP Distribution	57%
SP Manweb	43%
Kms of lines[1]	111,822
SP Distribution	53%
SP Manweb	43%
SP Transmission	4%

(1) As of 31st March 2024 – this information is prepared at each regulatory year end
(2) Does not include ENW's RAB (~2.9 Bn GBP), as the asset is not fully consolidated

Scottish Power: Networks

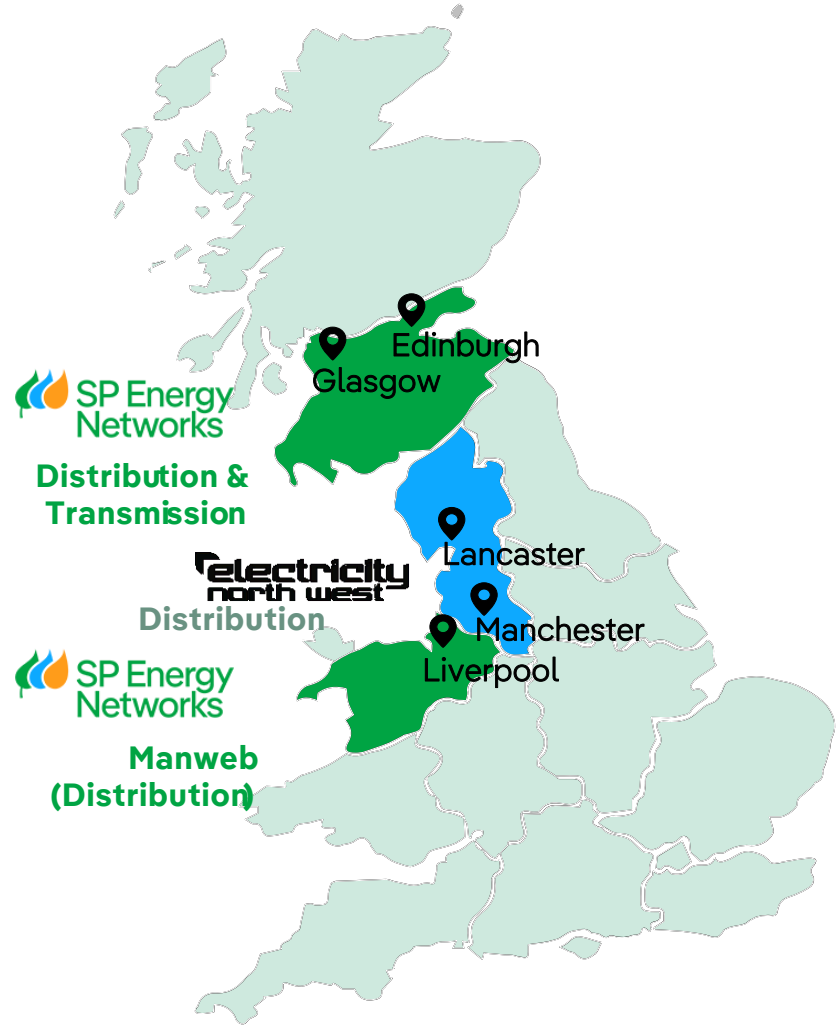
On 22nd October 2024 Iberdrola closed the acquisition of ~88% of distribution company Electricity North West (ENW), consolidated through the equity-method until March 2025, after taking control

Key Operating Figures

RAB	~2.9 Bn GBP	~3.4 Bn EUR
Supply points/ customers	2.4 M / 5.0 M	
Km of lines	12,800 Km overhead	47,300 Km underground

Key Financial Figures

EBITDA	400 M GBP
Net income(1)	126 M GBP
Net Debt(2)	2,2 Bn GBP



The deal fits Iberdrola's 2024-2026 strategy increasing exposure to networks and to an A-rated country

Data as of March 2024 except otherwise indicated

(1) Excluding any PPA and accounting alignment

(2) As reported by ENW as of March 2024 (corresponds to NWEN Jersey), before capital increase of 400 MGBP, excluding 323 MGBP derivatives at market value

Scottish Power: Networks

Form of control

- Currently regulated under Ofgem's incentive-based 'RIIO' model. Revenues are earned from the delivery of incentives, innovation and outputs set against regulatory targets.
- Method: Ex-ante revenue cap. Regulator sets majority of maximum allowed revenue fixed upfront and on a real basis.
- Duty on regulator to ensure that regulated networks are able to finance their licensed activities – maintain an investment grade credit rating.

Price Control Overview

	Electricity Transmission	Electricity Distribution
Price Control	RIIO – ET2	RIIO – ED2
Period	2021 – 2026	2023 – 28
Allowed Return on RAV (CPIH-real)	3.50% (2024-25)	4.14% (2024-25)
RAV at Dec-2024	£4.0bn	SPD - £2.7bn SPM - £3.1bn

Incentives, Uncertainty Mechanisms and Adjustments

- Potential to increase outturn returns through financial rewards gained from spending less than expected and outperformance against measures related to defined outputs.
- TOTEX incentive mechanism shares under/overspend on allowed TOTEX between networks and customers through adjustment to allowed revenues, based on efficiency incentive rate (*electricity distribution: 50%, electricity transmission: 49%*).
- Provisions to manage specific cases of uncertainty risk through possible revenue changes during price control e.g. indexation, uncertainty mechanisms, volume drivers and pass-through costs.
- Revenues from incentive rewards and uncertainty mechanisms are recovered in the current year as part of updated 5-year revenues (actuals & forecast).

Baseline Revenue

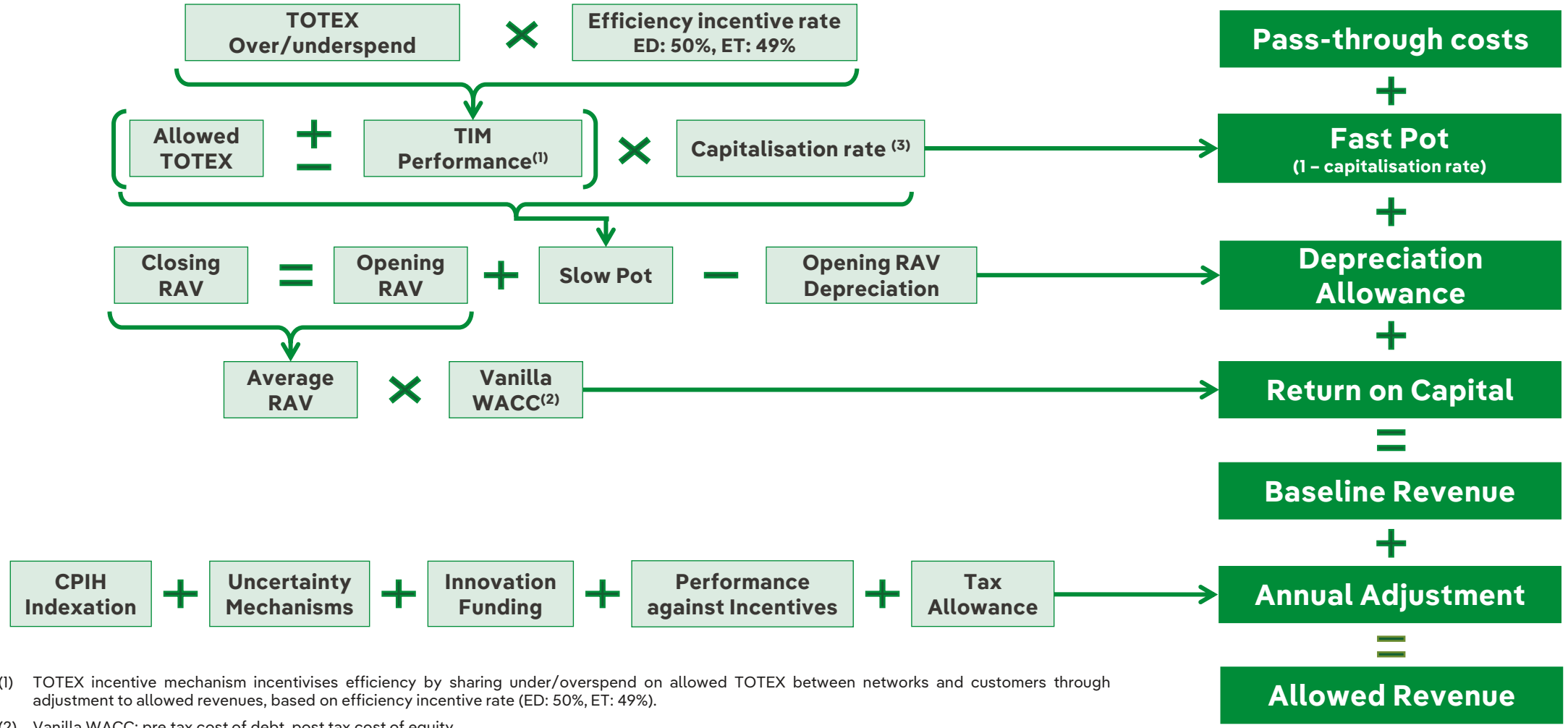
- Efficient level of expected costs necessary to carrying out activities are assessed through total expenditure (TOTEX).
- Regulatory Asset Value (RAV) is a major input to the setting of Allowed Revenue. Revenue components for depreciation (effectively a capex allowance) and return allowance are calculated from RAV.
- Following the application of the TOTEX incentive mechanism, TOTEX is allocated into a "fast pot" and "slow pot" determined by the capitalisation rate (ED: 70% cap rate 1 / 85% cap rate 2, ET: 84% cap rate 1 / 85% cap rate 2). Cap rate 2 is applied to uncertainty mechanism TOTEX.
- The capitalised slow pot is added to the RAV and remunerated over time through allowances for return on capital and depreciation (Depreciation Rate: 45 years post 2023/24 for ED & 2020/21 for ET investment).
- The "fast pot" (ED: 30% / 15%, ET: 16% / 15%) is treated as an in year 'pay-as-you-go' allowance.
- Provision for tax.

Adjustments

- Annual adjustment of allowed revenues for:
  - CPIH indexation of baseline revenues;
  - Incentive rewards/penalties;
  - Innovation funding;
  - Variance in actual TOTEX compared to allowance and also update of forecasts;
  - Non controllable costs i.e. uncertainty mechanisms; and
  - True Ups, including for differences in actual demand versus forecast demand as network companies are not exposed to demand volatility.

Scottish Power: Networks

High level illustration of allowed revenues derivation



(1) TOTEX incentive mechanism incentivises efficiency by sharing under/overspend on allowed TOTEX between networks and customers through adjustment to allowed revenues, based on efficiency incentive rate (ED: 50%, ET: 49%).

(2) Vanilla WACC: pre tax cost of debt, post tax cost of equity

(3) Two sets of capitalisation rates apply depending on the allowance type. Baseline TOTEX allowances are subject to "Capitalisation rate 1", whereas Uncertainty Mechanisms allowances are subject to "Capitalisation rate 2". ED: 70% cap rate 1 / 85% cap rate 2, ET: 84% cap rate 1 / 85% cap rate 2.

Ofgem Annual Iteration Process: RIIO-2 Annual Iteration Process 2023 for Transmission and Gas Distribution | Ofgem

Scottish Power: Networks

Several transmission projects to achieve decarbonisation targets by 2030, with significant grid investments for the integration of offshore and onshore wind

United Kingdom

- **4,500 km** of lines(1)
- **160** substations (3)

Main transmission projects

Total project investment ~£6.9bn

~£2.9bn - Projects required by 2030
Holistic Network Design

- Eastern Green Link 1 (EGL1) — Expected COD: 2029
- Eastern Green Link 4 (EGL4)(2) — Expected COD: 2033
- Onshore projects

~£4bn – Strategic projects required beyond 2030
Including tCSNP2
(transitional Centralised Strategic Network Plan)

- Western Link 2(2) (WHVDC2) — Expected COD: 2035-2039
- Onshore projects

(1) Transmission Network as of 31st March 2024
(2) Delivery date to be confirmed
(3) SP Transmission primary substations

Scottish Power: Electricity Production & Customers

Renewables

Onshore (I)	Region	MW	Year of Installation	Support Regime
Carland Cross Rep	England	20	1992	1.0 ROC/MWh
Coldham	England	16	2005	1.0 ROC/MWh
Lynemouth	England	26	2011	1.0 ROC/MWh
Coal Clough Repowering	England	16	2014	0.9 ROC/MWh
Corkey	Northern Ireland	5	1994	1.0 ROC/MWh
Rigged Hill	Northern Ireland	5	1994	1.0 ROC/MWh
Elliots Hill	Northern Ireland	5	1995	1.0 ROC/MWh
Callagheen	Northern Ireland	17	2006	1.0 ROC/MWh
Wolf Bog	Northern Ireland	10	2007	1.0 ROC/MWh
Barnesmore	Rep. of Ireland	14	1997	PPA (Expired) – Now merchant
Dun Law	Scotland	16	2000	1.0 ROC/MWh
Hare Hill	Scotland	13	2000	1.0 ROC/MWh
Beinn an Tuirc	Scotland	28	2002	1.0 ROC/MWh
Cruach Mhor	Scotland	30	2004	1.0 ROC/MWh
Black Law I	Scotland	96	2005	1.0 ROC/MWh
Beinn Tharsuinn	Scotland	30	2006	1.0 ROC/MWh
Black Law II	Scotland	28	2006	1.0 ROC/MWh
Wether Hill	Scotland	18	2007	1.0 ROC/MWh
Greenknowes	Scotland	27	2008	1.0 ROC/MWh
Hagshaw Hill Extension	Scotland	26	2008	1.0 ROC/MWh
Whitelee	Scotland	322	2008	1.0 ROC/MWh
Clachan Flats	Scotland	15	2009	1.0 ROC/MWh

Scottish Power: Electricity Production & Customers

Renewables

Onshore (II)	Region	MW[1]	Year of Installation	Support Regime
Dun Law Extension	Scotland	30	2009	1.0 ROC/MWh
Arecleoch	Scotland	120	2011	1.0 ROC/MWh
Mark Hill	Scotland	56	2011	1.0 ROC/MWh
Whitelee Extension	Scotland	217	2011	1.0 ROC/MWh
Beinn an Tuirc Ext	Scotland	44	2012	1.0 ROC/MWh
Middleton	Scotland	12	2012	1.0 ROC/MWh
Harestanes	Scotland	136	2013	1.0 ROC/MWh
Black Law Ext I	Scotland	45	2016	0.9 ROC/MWh
Black Law Ext II	Scotland	18	2016	0.9 ROC/MWh
Dersalloch	Scotland	69	2016	0.9 ROC/MWh
Ewe Hill	Scotland	14	2016	0.9 ROC/MWh
Ewe Hill Phase 2	Scotland	37	2017	0.9 ROC/MWh
Glen App	Scotland	22	2017	0.9 ROC/MWh
Hare Hill Extension	Scotland	30	2017	0.9 ROC/MWh
Kilgallioch	Scotland	239	2017	0.9 ROC/MWh
Beinn an Tuirc 3	Scotland	50	2020-2021	Corporate PPA
Halsary	Scotland	30	2020-2021	Corporate PPA
P&L [1]	Wales	15	1992	1.0 ROC/MWh
Total		**1,968**		

(1) 15 MW consolidated through equity method

Scottish Power: Electricity Production & Customers

Renewables

Offshore	MW	Year of Installation	Support Regime	Support Regime
West of Duddon Sands	194(1)	2014	ROC	2 ROCs/MWh (20 yrs) + market price
East Anglia I	714(2)	2019	CfD	119.89 £/MWh (real 2012+CPI)/15 yrs
Total	908			

Solar PV	Region	MW	Year of Installation	Support Regime
Carland Cross (Hybrid)	England	10	2021	Corporate PPA
Coldham (Hybrid)	England	9	2023	Corporate PPA
Total		19		

Batteries	Region	MW	Year of Installation	Support Regime
Carland Cross LEM	England	1	2020	Merchant/Ancillary Services
Whitelee BESS	England	50	2020-2021	Merchant/Ancillary Services
Gormans BESS	Rep. of Ireland	50	2021	DS3 (Volume Capped)(3)
Total		101		

(1) 50% of total 389 MW. Full consolidation 194 MW.

(2) 100% of total 714 MW. Minority stake (40%) held by Bilbao Offshore Holding Ltd

(3) Delivering a Secure Sustainable Electricity System

Scottish Power: Electricity Production & Customers

Projects under construction

Project	Type	Region	Total MW	Year of Installation	Income Regime
Harestanes BESS	Batteries	Scotland	50	2025	Merchant/ Ancillary Services / 15 years Capacity Market
Hagshaw Hill Repowering	Wind	Scotland	80	2025	AR4 Contract for Difference
Kilgallioch Ext.	Wind	Scotland	51	2025	AR4 Contract for Difference
Cumberhead West	Wind	Scotland	113	2026	AR4 Contract for Difference
Arecleoch Ext.	Wind	Scotland	74	2027	AR4 Contract for Difference
East Anglia 3	Offshore	England	1,400	2026	AR4 / AR6 Contract for Difference / Corporate PPA
East Anglia 2	Offshore	England	960	2028	AR6 Contract for Difference
Total			**2,728**		

Scottish Power: Electricity Production & Customers

Renewables Obligation

Form of Control

- Legacy scheme for incentivising investment in renewables across the UK.
- Demand-led scheme.
- Renewable Obligation Certificates (ROCs[1]) are issued to accredited generating stations for ~20 years depending on the station's accreditation date.

Remuneration

- Generators receive wholesale market plus ROC based on metered output.
- ROC level of support (banding) set by technology type and commissioning date:
  - Onshore wind 0.9 - 1 ROCs / MWh
  - Offshore wind 1.8 - 2 ROCs / MWh
- The value of a ROC is based on buyout + recycle price. Buyout price is indexed annually to RPI[2] and is set at £67.06 for 2025/26. The recycle price is variable and is dependent on the level of ROC qualifying generation compared to demand from electricity suppliers. The recycle price can never be negative.

Timing

- Closed to onshore wind on 31 March 2016 and all other technologies on 31 March 2017.

Contracts for Difference (CfD)

Form of Control

- Current mechanism for incentivising investment in renewables in GB.
- Allocated via annual competitive auctions.
- 15-year contract stabilising revenues at a price set in the auction (the Strike Price) linked to CPI[3].

Remuneration

- Generator receives wholesale market plus the difference between the Strike Price and the market reference price (a measure of the average GB electricity market price) based on metered output.
- Generator pays back if the market reference price is higher than the Strike Price.
- AR6 (2024 auction) - Strike Price for new offshore wind £58.87/MWh, permitted reduction offshore wind £54.23/MWh, onshore wind £50.90/MWh and solar PV £50.07/MWh.

Timing

- CfD auctions held in 2014, 2017 and 2019, 2022, 2023 and 2024.
- Held annually from 2023 (AR5), 2024 (AR6) and AR7 due to commence in 2025.
- Open to onshore wind, solar PV, offshore wind and less-established technologies.

Offshore Transmission Regime

- Generators build the transmission assets and then transfer them to transmission operator at construction completion.
- Licences to operate new offshore transmission assets are allocated via competitive tender process.

(1) Operators can trade ROCs with other parties. ROCs are used by suppliers to demonstrate they have met their obligation to source an increasing proportion of the electricity they supply from renewable sources. Normally, a renewable generator will transfer the related ROCs through Ofgem's electronic registry when it sells power to an electricity supplier.

(2) Retail Price Index measures the change in the cost of a representative sample of retail goods and services, including the cost of housing. The measure has now generally superseded by CPI.

(3) Consumer Price Index is the official measure of inflation of consumer prices of the United Kingdom , based on 700 different goods and services excluding the cost of housing.

Scottish Power: Electricity Production & Customers

Electricity System Operation

Form of Control

- The National Electricity System Operator (NESO) is the System Operator (SO) for the electricity transmission network in Great Britain. It is responsible (overseen by the regulator, Ofgem) for the day to day operation of the system, including system stability and balancing.
- The UK power markets are bilaterally traded markets. If a market participant generates or consumes more or less electricity than they have contracted for, they are exposed to the imbalance price, or 'cash-out', for the difference.

Renewables can Participate in the following markets to manage grid stability and security of supply

- **Balancing Market**: Market participants can provide offers and bids to the SO to help balance the system at very short notice. The balancing market is settled on a pay-as-bid basis.
- **Ancillary Service Markets**: Ancillary services are competitively tendered by the SO to support the continuous stable flow of electricity. The SO will contract a variety of services that are required to maintain grid stability and security, including fast frequency response, short term operating reserve and black start.
- **Capacity Market**: The Capacity Market is a market-wide pay-as-clear (£/kW/year) capacity auction. Auctions are held ahead of delivery (T-1 years and T-4 years) to procure sufficient capacity (interconnection, demand side response, generation) to meet a reliability standard of three hours loss of load expectation per year. Clearing prices under the T-4 auctions are adjusted annually for CPI with effect from the commencement of each delivery year.

National Energy System Operator (NESO)

- **Decision:** Following industry consultation in 2022, Ofgem & Government decided GB needed a new independent organisation to take whole system approach focusing on energy security, net zero and affordable bills.
- **Transition:** National Grid Electricity Operator (NGESO) transitioned to National Energy System Operator (NESO) on October 1st, 2024. Establishing an independent, public corporation responsible for planning GB's electricity and gas networks and operating the electricity system.
- **Responsibilities:** Delivering a whole system approach to network planning, markets, resilience, security of supply and energy insights
- **Connections Reform:** Scheduled to be implemented Q2 2025 this reform will move the application and offer process from the model of 'first come, first serve' to 'first ready, first to connect'. The model will also move to an annual gated window for all new applications and existing grid agreements.

Scottish Power: Electricity Production & Customers

Electricity Generator Levy

- 45% levy on RO (Renewable Obligation) and corporate PPA backed sites from January 2023 until March 2028 – new investment from 22 November 2023 is excluded.
- Tax applies to revenues above £75MWh. Taxable revenues are net of trading and delivery costs with a £10M tax free allowance on top of net revenue.
- CfD backed assets, ROCs and other additional renewable incomes are excluded.

UK Emissions Trading Scheme

- The cost of carbon impacts on wholesale price of energy and therefore the achieved price of the renewables assets that receive ROCs.
- With effect from 1 January 2021, the UK Emissions Trading Scheme (“UK ETS”) replaced the UK's participation in the equivalent EU Emissions Trading Scheme (“EU ETS”).
- The cap for Phase 1 of the UK ETS was initially set at 5% below the UK’s expected notional share of the EU ETS cap for Phase IV of the EU ETS (2021-2030). Over time, the cap will be reduced so the total emissions from each industry will fall.
- Participants buy and sell emissions allowances through auctions or secondary markets: the price of traded allowances was £35.22 t/CO2 on 18th December 2024.

UK Carbon Border Adjustment Mechanism

- In 2023, the UK government consulted on various potential measures to mitigate domestic carbon leakage. As a result, the UK Carbon Border Adjustment Mechanism (CBAM) will be implemented in 2027.
- This will impose a direct carbon price (£/tCO2) on greenhouse gas emissions generated during processes like manufacturing.
- The UK CBAM will work cohesively with the UK ETS, including free allowances, to ensure imported products face a carbon price comparable to that of UK produced goods, reducing the risk of carbon leakage.

Scottish Power: Electricity Production & Customers

Customers

Form of Control

- Operates in the liberalised UK energy market for gas and electricity under the energy regulator Ofgem with a regulatory framework of both prescriptive and principles-based obligations.
- As of 31 October 2024, the UK domestic energy market consists of approximately 24.5m gas and 29.7m electricity accounts[1].

Retail Market Share

- The UK market has undergone consolidation, stabilising at around 21 domestic suppliers after a large number of supplier exits in the period 2021-22.

Price Regulation

- Price regulation exists for domestic customers on default tariffs (including standard variable tariffs) through the Domestic Gas and Electricity (Tariff Cap) Act 2018, which came into effect on 1 January 2019. The cap's original December 2023 end date was removed by The Energy Prices Act 2022, with the Secretary of State now having powers to remove the cap upon notice.
- Ofgem estimates that the default tariff currently protects around 22 million households - significantly higher than in the early years of the cap, with wholesale price volatility in recent years resulting in more customers defaulting to a capped tariff rather than choosing a new competitive tariff. However, this number has come down from its peak of 29 million in 2023.
- In response to the energy crisis, Ofgem increased the frequency of price cap updates in October 2022, from every 6 months to every 3 months.
- Ofgem is now carrying out wider review of retail price regulation to make sure that the energy retail market is investable and resilient.

Obligated support for low income and fuel poor customers

- **Warm Home Discount** is a government scheme aimed at addressing fuel poverty which obliges suppliers to provide a £150 annual discount on energy bills to eligible customers. The scheme operates under different legislation in Scotland from that in England & Wales, with 9.4% of the spend in Scotland and 90.6% in England & Wales. The scheme currently provides direct support to 3.2m customers and runs to March 2026 but DESNZ is consulting on expanding it to an additional 2.7 million households for winter 2025/26.
- **Energy Company Obligation (ECO)** is a Government scheme to tackle fuel poverty which also provides a consequential reduction in carbon emissions. The scheme requires suppliers with more than 50k customers to invest in energy efficiency measures with the obligation based on customer numbers and supply volumes. This is the 4th programme of this nature and will operate until March 2026 and is worth £4 billion.
- **Great British Insulation Scheme (GBIS) Obligation** was introduced in June 2023 and imposes annual targets (until March 2026) on suppliers to improve the energy efficiency performance of homes in GB. A minimum of 20% of the programme is to be delivered to low income and fuel poor homes and the remaining support may be offered to homes meeting wider qualifying criteria.

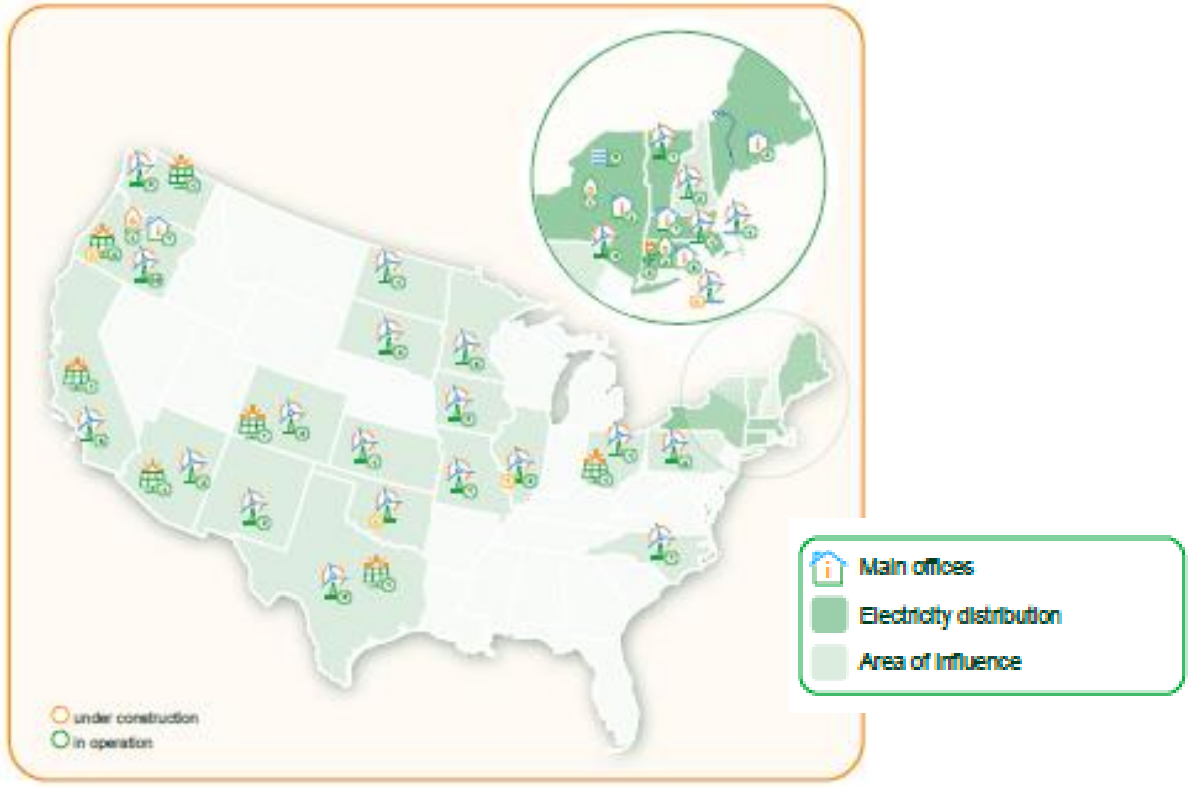
(1) Figures sourced from Cornwall Insights Domestic Market Share Survey, Q4 2024

Content

All figures as of December 2024, except otherwise stated. Differences may arise due to rounding

Avangrid[1]

Electricity and gas distribution in New York, Maine, Connecticut & Massachusetts



Installed Capacity (MW)	10,543
Renewable Capacity (MW)	9,703
Net Production (GWh)	24,785
Distributed Energy (GWh)	37,642
Customers (M)[2]	3.4
Km of lines	173,920

68 Onshore wind 8,045 MW	1 Offshore wind farms 143 MW	11 Solar photovoltaic plants 1,384 MW	9 Hydroelectric plants 118 MW
3 Combined cycle gas plants 204 MW	1 Cogeneration plants 636 MW	5 Other renewables 13 MW	

Projects under construction[3]: 2 | 1 | 1 | 1

(1) *Avangrid: 100% owned by Iberdrola after acquisition of minorities in December 2024*

(2) *Total number of electricity and gas supply points*

(3) *Projects under construction in 2025*

Avangrid: A private company

On May 17th, 2024, Iberdrola announced it reached an agreement with Avangrid to acquire the shares it does not own for 35.75$/share

Transaction was approved by shareholders, the Federal Energy Regulatory Commission, the Maine Public Utilities Commission and New York State Public Service Commission

On December 23rd, 2024, Iberdrola acquired remaining 18.4% that it did not control

Transaction allows **Iberdrola to continue to grow strongly and more efficiently in the USA**

Avangrid will be able to participate more economically in new energy infrastructure projects in the grid, representing a significant investment in local communities and generating hundreds of direct and indirect jobs

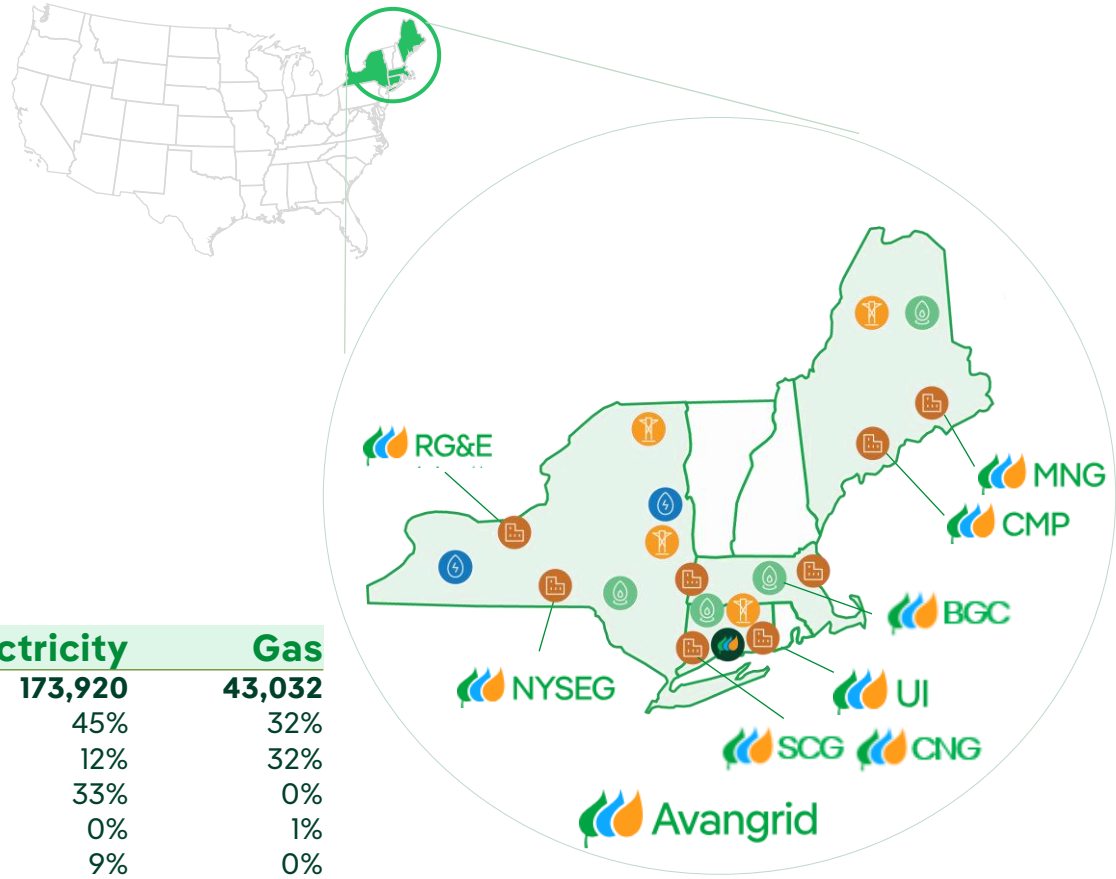
Investments will create a **more robust, resilient and reliable power grid**, and will help meet the growing demand from utilities

Avangrid: Networks

8 regulated utilities in New York, Connecticut, Maine & Massachusetts

RAB (Bn USD)[1]	15.1
NYSEG - Electricity	4.23
NYSEG - Gas	0.87
RG&E - Electricity	2.47
RG&E - Gas	0.72
CMP - Distribution	1.48
CMP - Transmission	1.56
CMP - MEPCO	0.13
UI - Distribution	1.30
UI - Transmission	0.78
SCG	0.76
CNG	0.59
BGC	0.17
MNG[2]	0.08

Points of Supply (M)	3.4
Electricity	**2.3**
NYSEG	40%
RG&E	17%
CMP	29%
UI	15%
Gas	**1.1**
NYSEG	26%
RG&E	31%
MNG[2]	1%
BGC	4%
CNG	18%
SCG	20%



Distributed Energy (GWh)	99,159
Electricity	**37,642**
NYSEG	42%
RG&E	20%
CMP	25%
UI	13%
Gas	**61,517**
NYSEG	24%
RG&E	25%
MNG[2]	11%
BGC	5%
CNG	18%
SCG	17%

Kms of lines/pipelines	Electricity	Gas
Total	**173,920**	**43,032**
NYSEG	45%	32%
RG&E	12%	32%
CMP	33%	0%
MNG[2]	0%	1%
UI	9%	0%
SCG	0%	16%
CNG	0%	15%
BGC	0%	4%

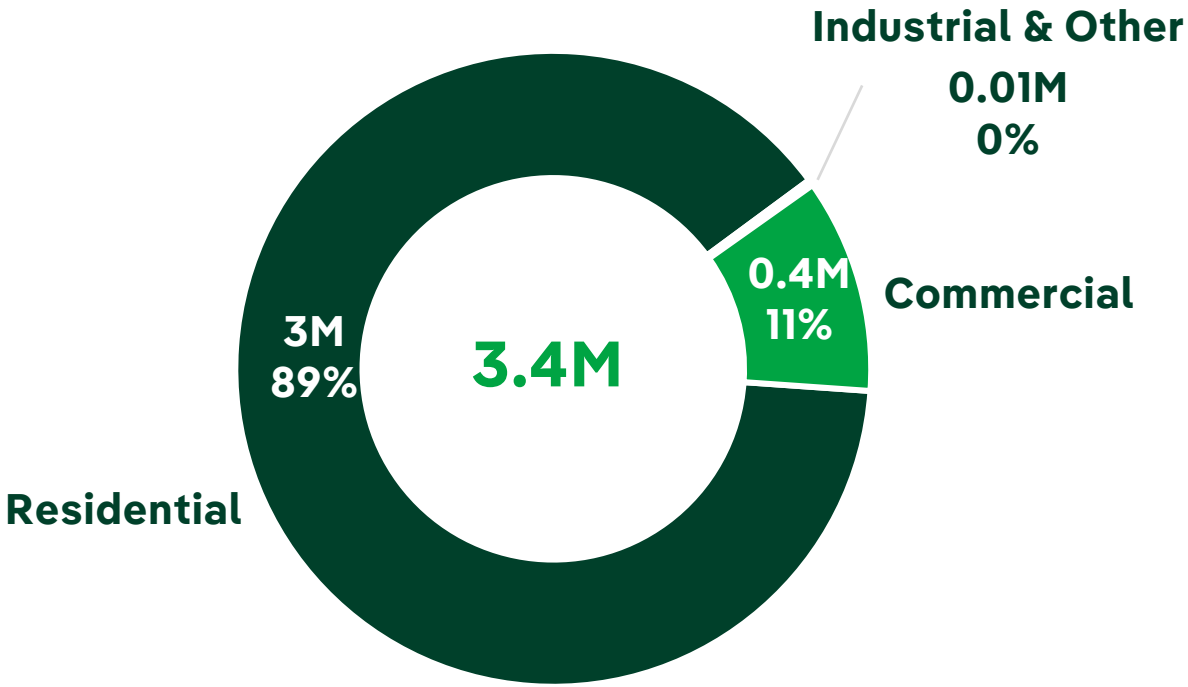
Note: data as of 31/12/2024

(1) including MEPCO (MEPCO is a separate legal entity, Avangrid owns 78.3%)

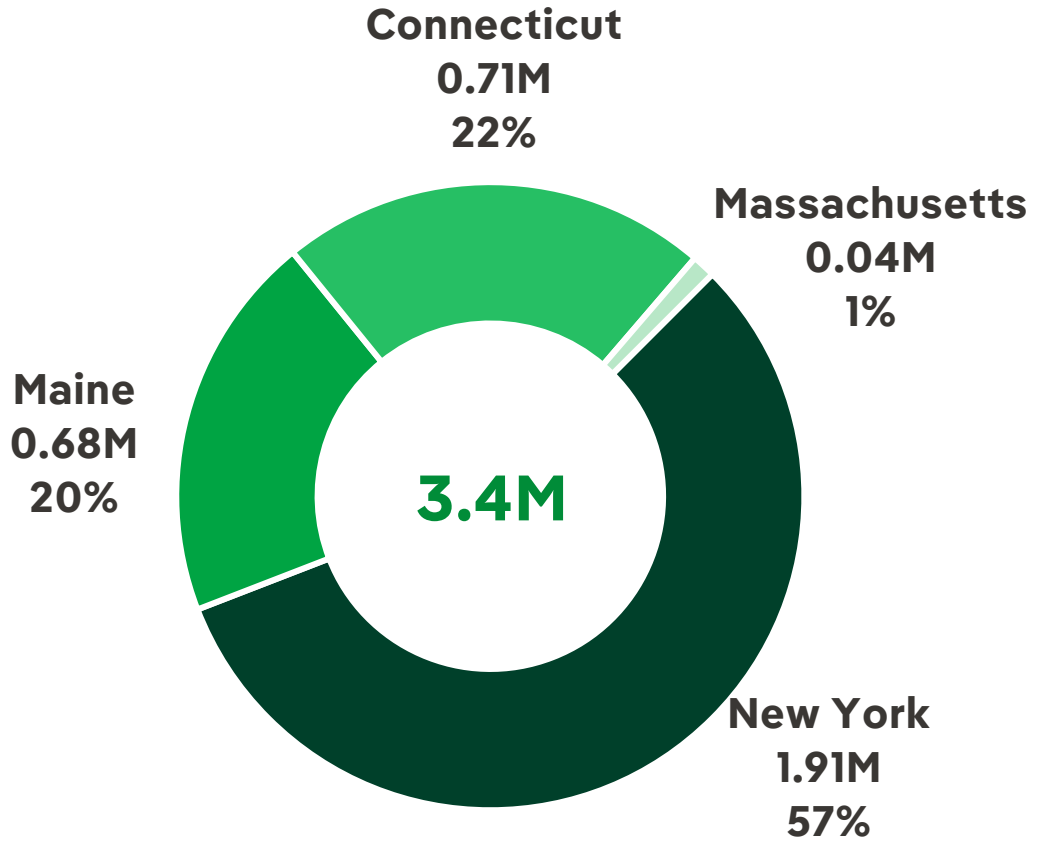
(2) In April 2025 Iberdrola announced the sale of 100% of Maine Natural Gas to Unitil. Transaction expected to be closed end 2025 after regulatory approvals are obtained

Avangrid: Networks

Customers by Usage



Customers by State

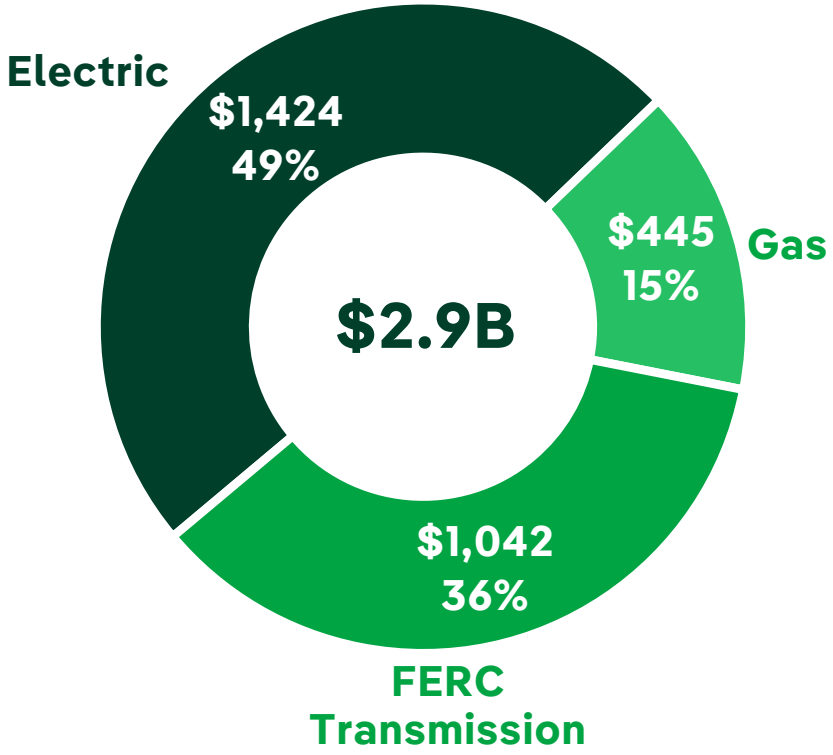


As of 31/12/2024

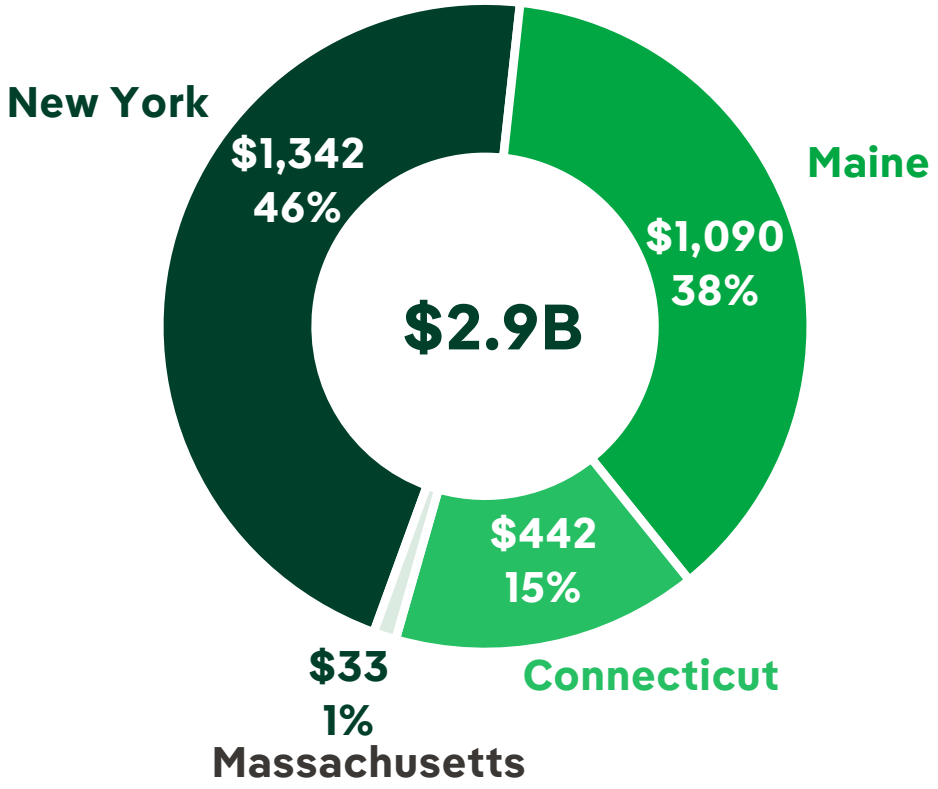
Avangrid: Networks

Invested $2.9B to provide customers with safe & reliable infrastructure

CapEx spent by Business ($M)



CapEx spent by State ($M)



Amounts may not add up due to rounding.

(1) Includes MEPCO capex

(2) Corporate includes facilities, IT, security, fleet, other

Avangrid: Networks

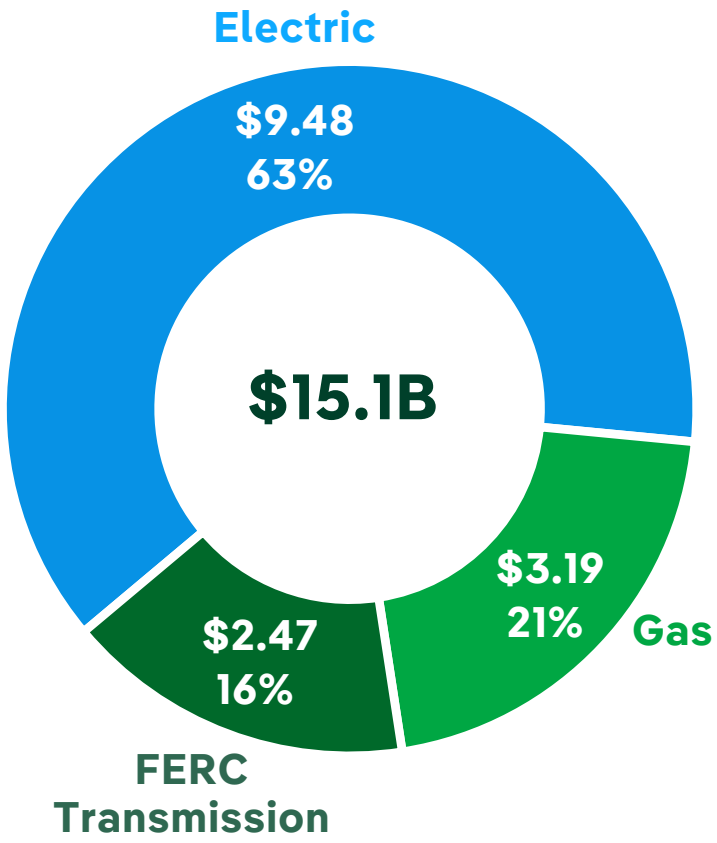
Historical Capex ($M)

Company	2021	2022	2023	2024
NYSEG – E	642	656	757	828
NYSEG – G	101	103	94	121
RG&E – E	279	303	333	313
RG&E – G	115	71	77	80
CMP – D	181	212	211	204
CMP – T	72	86	123	166
NECEC	428	40	220	718
UI – D	139	141	141	78
UI – T	46	86	123	155
SCG	86	101	111	128
CNG	63	66	74	81
BGC	17	22	32	33
MNG[1]	4	3	2	2
MEPCO	14	11	-	4
Corporate	41	11	8	4
Total CapEx	**2,230**	**1,912**	**2,307**	**2,915**

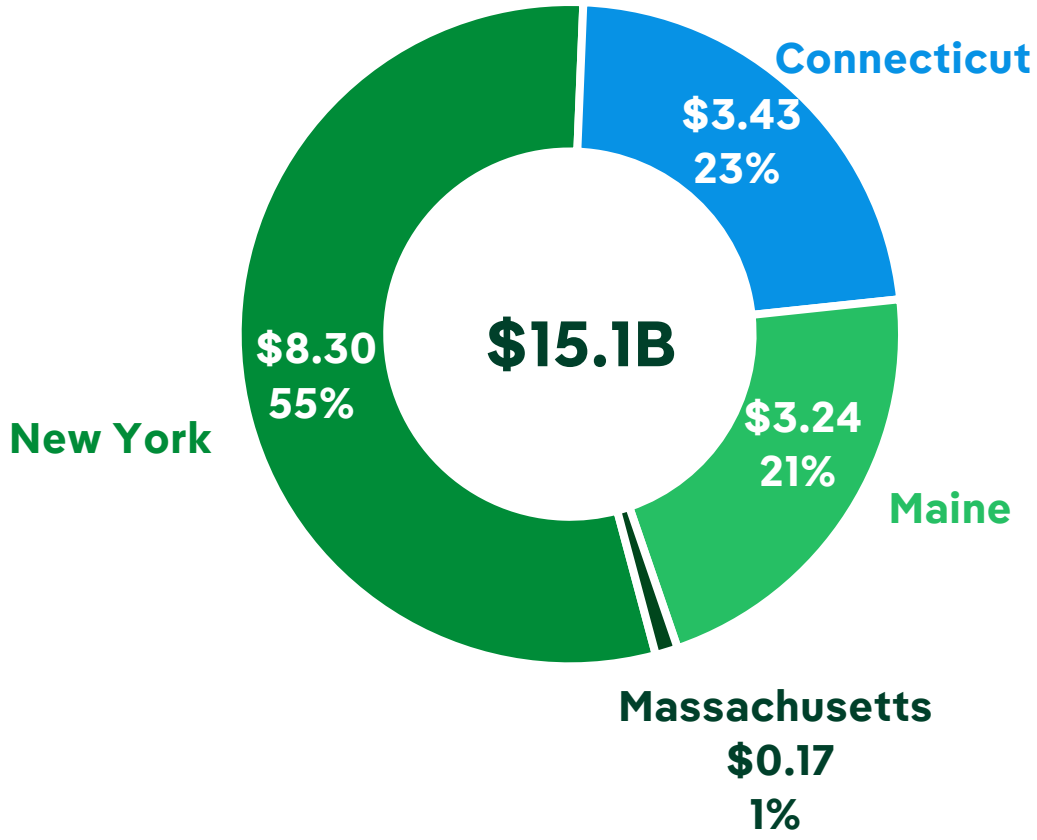
(1) In April 2025 Iberdrola announced the sale of 100% of Maine Natural Gas to Unitil. Transaction expected to be closed end 2025 after regulatory approvals are obtained .

Avangrid: Networks

2024 Average Rate Base by Business ($B)



2024 Average Rate Base by State ($B)



As of 31/12/2024, including MEPCO (MEPCO is a separate legal entity (Avangrid owns 78.3%))

Avangrid: Networks

Historical Rate Base (Bn USD)

Company	2021	2022	2023	2024
NYSEG - E	2.78	3.18	3.72	4.23
NYSEG - G	0.72	0.73	0.79	0.87
RGE - E	1.91	2.08	2.32	2.47
RGE - G	0.55	0.60	0.68	0.72
CMP - D	1.01	1.12	1.27	1.48
CMP - T	1.49	1.52	1.54	1.56
UI D	1.24	1.25	1.26	1.30
UI T	0.70	0.73	0.78	0.78
SCG	0.60	0.67	0.74	0.76
CNG	0.52	0.56	0.59	0.59
BGC	0.12	0.13	0.16	0.17
MNG(1)	0.09	0.08	0.08	0.08
MEPCO	0.11	0.13	0.13	0.13
Total Rate Base	**11.8**	**12.8**	**14.1**	**15.1**

YoY Investments increase rate base by 7% to 15.1 Bn USD in 2024

(1) In April 2025 Iberdrola announced the sale of 100% of Maine Natural Gas to Unitil. Transaction expected to be closed end 2025 after regulatory approvals are obtained .

Avangrid: Networks

Current base allowed ROEs as of December 2024

Company	Allowed ROE
NYSEG – E	9.20%
NYSEG – G	9.20%
RG&E – E	9.20%
RG&E – G	9.20%
CMP – D	9.35%
CMP – T	10.57% - 11.74%
UI – D(1)	8.63%
UI – T	10.57% - 11.74%
SCG	9.15%
CNG	9.15%
BGC	9.70%
MNG(2)	9.55%
MEPCO	10.57% - 11.74%

(1) 9.10% nameplate ROE less 47 basis points reduction

(2) In April 2025 Iberdrola announced the sale of 100% of Maine Natural Gas to Unitil. Transaction expected to be closed end 2025 after regulatory approvals are obtained .

Avangrid: Networks

Current New York Rate Plans

		NY State Electric (NYSEG-E)	NY State Gas (NYSEG-G)	Rochester Electric (RGE-E)	Rochester Gas (RGE-G)
Jurisdiction		New York			
Regulator		New York Public Service Commission (NYPSC)			
Term		3 year plan (5/1/2023 - 4/30/2026) settled October 2023; tariffs increase retroactively effective May 1, 2023 (with a make-whole)			
Annual Rate Increases with Levelization / Shaping		Year 1 (5/1/23 – 4/30/24) - $137.3M Year 2 (5/1/24 – 4/30/25) - $160.7M Year 3 (5/1/25– 4/30/26) - $200.6M	Year 1 - $11.7M Year 2 - $12.4 Year 3 - $12.9	Year 1 – $50.9M Year 2 - $56.6M Year 3 - $65.3M	Year 1 - $18.2M Year 2 - $20.1M Year 3 - $22.4M
Avg. Rate Base (2024)		$4,233	$871M	$2,474M	$719M
Allowed ROE / Equity Ratio		9.2% / 48%			
Earnings Sharing (Cust./Comp.)		ROE < 9.70% no sharing, > 9.7%/< 10.2% (50%/50%), > 10.2%/< 10.7% (75%/25%), > 10.7% (90%/10%)			
Rate Year		Forecast			
Trackers / Reconciled Costs		• Rate Adjustment Mechanism • Revenue Decoupling • Other reconciliations: major storms, environmental expense, energy efficiency, debt cost (full reconciliation of weighted fixed long-term debt rate above rate case estimates), pensions/OPEBs, property taxes, economic development & low-income programs. Downward tracker for vegetation management, labor, AMI, net plant, pipeline integrity, incremental maintenance			
ROE filing		Annually (filed end of July)			
Achieved ROEs After-sharing if applicable	2023[1]	7.6%	5.9%	7.9%	8.1%
	2022[2]	4.9%	8.8%	7.4%	8.7%
	2021[3]	6.9%	9.1%	7.4%	7.9%
	2020[4]	8.5%	9.0%	9.0%	8.3%
	2019[5]	4.0%	7.6%	8.7%	7.0%
	2018[6]	6.2%	8.6%	9.9%	8.3%
	2017[7]	8.6%	10.0%	9.8%	9.7%
	2016[8]	8.7%	9.8%	9.1%	9.8%

(1) ROEs for rate year 5/1/2023 - 4/30/2024.
(2) ROEs for rate year 5/1/2022 - 4/30/2023.
(3) ROEs for rate year 5/1/2021 - 4/30/2022.
(4) ROEs for rate year 5/1/2020 - 4/30/2021.
(5) ROEs for rate year 5/1/2019 - 4/30/2020.
(6) ROEs for the 3rd rate year (5/1/2018 - 4/30/2019).
(7) Amended ROEs for the 2nd rate year (5/1/2017 - 4/30/2018).
(8) Amended ROEs for the 1st rate year (5/1/2016 - 4/30/2017).

Avangrid: Networks

New York Rate Case Joint Proposal – approved October 12, 2023, as filed

3-year rate plan	• **May 1, 2023 – April 30, 2026** • **New rates** effective **November 1, 2023** with **Make Whole** back to **May 1, 2023**
ROE	• **9.20%, 48% Equity**, 50% Earning Sharing above 50 basis points
Capital Plan	• **$6.4B Capex 2022-2026**, $1.1B in 2022, $5.3B 2023 through 2026 includes $5,770M for distribution and $634M for CLCPA Phase I • Investments improve reliability and resiliency for our customers and enable more renewable energy, while creating more local jobs and increasing customer service programs
Rate Base	• **$7.4B** RY1 to **$8.7B** RY3 • **$6.6B** in 2022 to **$9.2B** in 2026
Net Income / Cash Flow	• Net Income improves from $280M in 2022 to $449M in 2026 • Cash flow improves from $131M in 2022 to $943M in 2026
Other	• Uncollectible P&L exposure fully mitigated with positive regulatory language • Significant improvement in Credit Metrics

Avangrid: Networks

Additional Positive Impacts - NY

- Includes increased funding for tree trimming, Vegetation Management (benefiting NYSEG and RG&E where 51% and 20% of outages are caused by trees respectively)
- Bill assistance programs for $27M at NYSEG and $23M at RG&E annually for fixed and/or low-income customers
- 231 additional Full-Time Employees focused on improving customer service and field operations (driving the creation of 716 indirect jobs in New York state)
- $250M in energy efficiency & heat pump incentive programs
- Full reconciliation of the weighted average fixed long-term debt rate above rate case estimates
- SAIFI Tier II target raised, reducing exposure to reliability negative revenue adjustments
- Includes ability to use NYSEG SAIFI negative revenue adjustments to accelerate vegetation management reclamation work to improve reliability
- Includes ability to petition the Commission seeking recovery of excessive incremental Make Ready Program costs (expenses associated with preparing a site for third party telecom/broadband attachments)

Avangrid: Networks

New York – Climate Leadership & Community Protection Act (CLCPA)

Critical transmission upgrades for meeting NY state climate actions goals

Phase I (December 2022):

- **~$1.3B** potential transmission investment for **NYSEG**, rate-based investments
- 13 projects with in-service dates ranging from 2026 – early 2030s
- Projects create transmission headroom for ~2.8 GW of increased network capacity

Phase II (February 2023):

- **~$2.3B** transmission investment for **NYSEG/RG&E**, rate-based investments
- The order authorizes NYSEG/RG&E to build the projects, subject to NY Article VII and Article VIII approvals
- 32 projects to be completed between 2025 – early 2030s
  - 28 projects located in New York's Southern Tier
  - 4 projects in other geographic locations across New York
- Projects create transmission headroom for nearly 2 GW of increased network capacity
- Cost of all projects will be recovered from customers in NY statewide via a FERC-jurisdictional formula rate, with payments collected via the New York ISO

Avangrid: Networks

Current Maine & Massachusetts Rate Plans

	Central Maine Power Distribution (CMP-D)	Maine Natural Gas (MNG)[1]	Berkshire Gas Company (BGC)
Jurisdiction	Maine		Massachusetts
Regulator	Maine Public Utilities Commission (MPUC)		Department of Public Utilities (DPU)
Term	2-year plan July 2023 – June 2025	10-year plan thru 4/30/2026 subject to Year 7 review	2-year plan 2023-2024, effective 1/1/23
Annual Rate Increases	Y1 - $34.1M Y2 - $26.3M		Y1 - $3.6M (~$2.6M + up to $0.9M step-up) Y2 – add'l step-ups up to $1.2M, $0.6M & $0.3M, Stay-out until November 2025
Avg. Rate Base (2024)	$1,475M	$81M	$166M
Allowed ROE	9.35%	9.55%	9.7%
Allowed Equity Ratio	50%	50%	54%
Earnings Sharing	50/50 above 10.35%	50/50 above 12.05%	No
Rate Year	Forecast	Forecast	Historic
Trackers / Reconciled Costs	• Revenue Decoupling • Major Storms • Vegetation Mgt 6yr cycle from 5yr plus ground to sky trim • Hyper inflation protection (RY1) • Full reconciliation of tax basis repairs credit	• No Revenue Decoupling • Gas Supply (pass through)	• Revenue Decoupling • Gas Supply (pass through) • GSEP, pension, energy efficiency • Recover of costs through proposed step increases associate with; 1) the hiring of incremental employees, 2) the hiring of incremental safety & reliability employees and 3) non-GSEP capital investments placed in service in 2022
ROE filing	Annually (April)	Annually	Annually (March 31)
Achieved ROEs 2024	4.88%	3.31%	-0.83%
Achieved ROEs 2023	5.91%	1.53%	7.57%
Achieved ROEs 2022	3.75%	2.06%	5.61%
Achieved ROEs 2021	6.98%	2.49%	6.2%
Achieved ROEs 2020	6.2%	2.59%	5.98%
Achieved ROEs 2019	6.1%	NA	10.8%
Achieved ROEs 2018	4.2%	NA	NA
Achieved ROEs 2017	12.7%	NA	NA
Achieved ROEs 2016	11.4%	NA	NA

(1) In April 2025 Iberdrola announced the sale of 100% of Maine Natural Gas to Unitil. Transaction expected to be closed end 2025 after regulatory approvals are obtained .

Avangrid: Networks

CMP Rate Case – First multi-year electric rate case in Maine in 15 years

2-year rate plan	• July 2023 - June 2025 • New rates effective July 1, 2023
Capital Plan	• $382M capex 2023 – 2025; 186M RY1, $196M RY2 • Capex based on 'forward test years'
Rate Base	• $1.20B RY1 to $1.29B RY2
ROE	• 9.35% allowed ROE at 50% equity • Ability to earn up to 10.35% before sharing 50/50 with customers
Recovery	• Storm recovery improvement, hyper-inflation protection
Revenue Increase	$67M increase in revenues • +6% in 2023 (+$16.75M YoY) • +11% in 2024 (+$33.5M YoY) • +5% in 2025 (+$16.75M YoY)
Net Income Increase	$34M increase in Net Income • +64% in 2023 (+$25.0M YoY) • +7% in 2024 (+$4.6M YoY) • +6% in 2025 (+$4.3M YoY)

Avangrid: Networks

Berkshire Gas Rate Case approved October 28, 2022

	Improving Safety & Reliability with Incremental FTEs & 2022 Investments
2-year rate plan	Base rates effective January 1, 2023, step-up increased January 1, 2024
Rate Increase	Y1 - **$3.6M** (~$2.6M + up to $0.9M step-up) Y2 – add'l step-ups up to **$1.2M**, **$0.6M** & **$0.3M**
Funding	For up to 9 FTEs in 2022 & 11 more in 2023 Incremental capex through 2022 related to system operations, reliability, and modernization
ROE/Equity	9.7% / 54% (no change from previous plan)
Credit Metrics	Maintains strong credit metrics
Stay-Out	Through November 2025

Avangrid: Networks

Current Connecticut Rate Plans

		United Illuminating Distribution (UI-D)	Southern Connecticut Gas (SCG)	Connecticut Natural Gas (CNG)
Jurisdiction		Connecticut		
Regulator		Public Utilities Regulatory Authority (PURA)		
Term		1 year (Sept '23 – Aug '24) Effective September 1, 2023	1 Year (Dec '24 / Nov '25) Effective December 2024	1 Year (Dec '24 / Nov '25) Effective December 2024
Annual Rate Increases		$22.9M	Year 1 – ($10.7M)	Year 1 – ($24.6M)
Avg. Rate Base (2024)		$1,299M	$760M	$589M
Allowed ROE		9.10%, authorized 8.63%(2)	9.20%, authorized 9.15%	9.20%, authorized 9.15%
Allowed Equity Ratio		50%	53%	53%
Actual Equity Ratio (2024)		58%	53%	55%
Earnings Sharing		50/50 above allowed ROE	50/50 above ROE	50/50 above ROE
Trackers / Reconciled Costs		· Revenue Decoupling · Major Storms · Energy Supply (pass through) · Low Income	· Revenue Decoupling · System Expansion Rate · Energy Supply (pass through) · Low Income · Distribution Integrity Mgmt. Program	· Revenue Decoupling · System Expansion Rate · Energy Supply (pass through) · Low Income · Distribution Integrity Mgmt Program
ROE filing		Quarterly(1)	Quarterly(1)	Quarterly(1)
Achieved ROEs After sharing if applicable	2024	3.55%	5.84%	8.77%
	2023	4.35%	8.41%	8.21%
	2022	6.3%	9.3%	10.2%
	2021	8.2%	9.8%	9.4%
	2020	9.0%	8.5%**	8.7%**
	2019	10.1%	8.7%	8.0%
	2018	9.6%	8.4%	6.7%
	2017	9.3%	8.1%	5.9%
	2016	6.8%	8.1%	8.7%

(1) Based on actual equity ratios vs. allowed;
(2) ROE reductions on appeal: Customer service (20bp), English Station (20bp), Transmission Adj. Clause & Customer lost benefits (5bp), Incomplete Cost of Service study & Rate Design analysis (2bp)

Avangrid: Networks

Connecticut UI Rate Case – Filed on November 12th, 2024

Period	1 Year (Nov '25-Oct '26) - New rates expected to go into effect in November 2025
ROE/Equity	ROE request: **10.50%** / Equity request: **54%**
Capex	Rate filing has **$517M** of capex placed in service, including $314M of capex already placed in service from the past but not yet earning rates.
Revenue	Increases US GAAP Revenues by **$105M** for the period Nov'25-Oct'26
Credit Metrics	Rate Case filing leads to improved metrics above downgrade threshold: • Moody's at **20.1%** in 2025/26 (vs. 21% estimate for 2024) • S&P at **23.5%** in 2025/26 (vs. 18% estimate for 2024)

Final Decision expected on Q4 2025

Avangrid: Networks

Connecticut SCG & CNG Rate Cases

First rate filings for the companies since 2018 & 2017, respectively[1]

Period	**1 Year (Dec '24 / Nov '25),** new rates to go into effect in December 2024
ROE/Equity	• **ROE: 9.15%** • **Equity: 53%**
CapEx	• **$203M** ($60M for CNG and $143M for SCG) • Capex Tracker allowing additional investments up to **$83M**

Final Decision appealed to the Connecticut Superior Court on Dec 20th, 2024

(1) Last rate increase in 2021 & 2020 respectively

Avangrid: Networks

FERC Jurisdiction Rate Plans

		Central Maine Power Transmission (CMP-T)	United Illuminating Transmission (UI-T)
Regulator		Federal Energy Regulatory Commission (FERC)	
Term		Annual filing by July 31	
Avg. Rate Base (2024)		$1,560M	$784M
Allowed ROE		10.57-11.74%	10.57-11.74%
Equity Ratio		Actual (~53-59%)	Actual (~53-58%)
Earnings Sharing		No	No
Decoupling		No	No
Trackers / Reconciled Costs		• Annual true-up to actual operating expenses and revenue requirement • Capital investments not included in rate base until they are placed in service, unless a specific FERC incentive is granted allowing for the inclusion of Construction Work in Progress (CWIP) in rate base • We are allowed to calculate an Allowance for Funds Used During Construction (AFUDC) as a non-cash carrying charge added to CWIP and recovered over the life of the asset on all other projects that do not receive the CWIP in rate base incentive	
ROE filing		Annually (July)	
Achieved ROEs[1]	2023	11.3%	11.2%
	2022	11.4%	11.3%
	2021	11.8%	11.3%
	2020	12.0%	11.3%
	2019	9.9%	11.3%
	2018	11.8%	11.3%
	2017	11.4%	11.3%
	2016	11.2%	11.4%

(1) Based on actual equity ratios vs allowed.

Avangrid: Networks

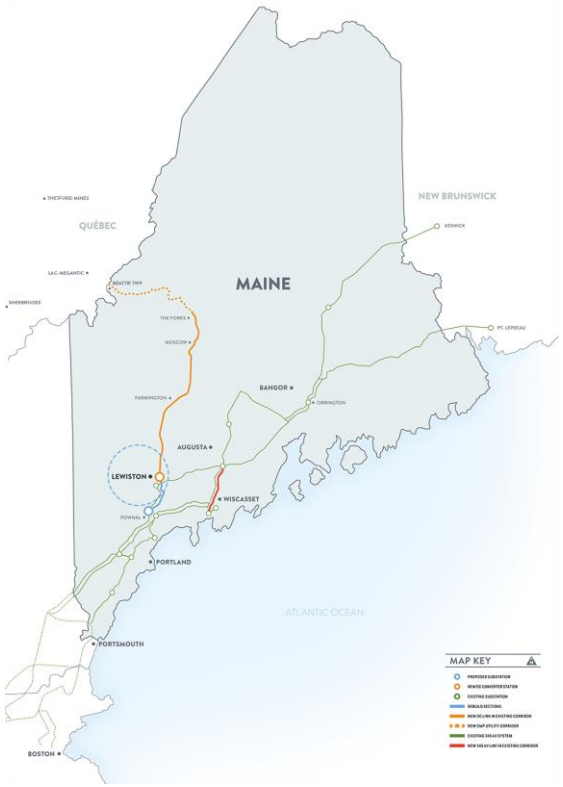
New England Clean Energy Connect (NECEC)

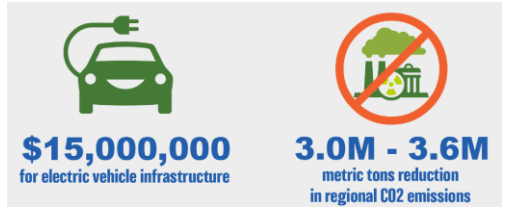
145-mile transmission line to bring 1,200 MW of Hydro Power from Quebec to NE-ISO

Project Benefits

- ✓ Direct Massachusetts customers **savings of $220.7M** annually for the first 5 years. **$214.6M** annually over 20 years, **totaling $4.25B in savings**
- ✓ Annually **reduced 3.0-3.6 million metric tons regional CO_2** emissions from electricity generation
- ✓ **Increased employment** and **property taxes** for local communities
- ✓ $200M+ in Transmission upgrades
- ✓ 50,000 acres land in conservation
- ✓ Additional fiber optic, heat pump support, rate relief and low-income programs in Maine

- ✓ Estimated **construction cost** for the full project of **$1.5B**(1)
- ✓ **Contract Price:** $13.22/kW-month for year 1 escalating 2% annually through Year 20 & $10.11/kW month Years 21-40
- ✓ Estimated **commercial operation date (COD)** in **2025**





(1) As of 10Q for 3Q 2024

Avangrid: Networks

How to model

Approach for Networks Income Calculation

+ **Rate Base * Equity Ratio[1] * Regulatory ROE (8 utilities)**

+ **Net Other Income (Deductions):**
  - Allowance for funds used during construction (AFUDC debt and equity)
  - Debt Costs not supporting debt portion of rate base
  - Carrying costs on regulatory assets & liabilities not included in Rate Base
  - Other Income & Deductions (eg: Charitable Donations, Shareholder-borne costs)
  - Be sure to tax effect values

+ **Joint Ventures (GenConn, NY Transco, MEPCO)**

= **Networks "Income"**

(1) Connecticut companies and Transmission based on actual equity ratio. All other utilities based on allowed equity ratio

Avangrid: Networks

Economics

Rate Base	• **Rate Base =** Gross plant in service - Book depreciation - Deferred income taxes +/- working capital +/- regulatory assets & liabilities (not accruing carrying costs) + prepaid + materials & supplies • **Average rate base for a 13-month period** used for gas & electric distribution. Transmission follows a 5-quarter average and 2-point average.
AFUDC & Carrying Costs	• Utilities accrue **AFUDC** on longer-term construction projects prior to being placed in-service • Utilities accrue **Carrying Costs** on certain regulatory assets & liabilities not in rate base • This has an impact on **current earnings**, but there is **no current cash flow impact**
Joint Ventures	• 50% JV with affiliates of Clearway Energy (GenConn) in 2 regulated peaking plants with ROE of 9.85% • 20% investment in NY Transco with 53% Equity Ratio • Maine Electric Power Co., Inc. (MEPCO) owns a 345 kV lines between the New Brunswick border and Maine Yankee
Earned ROE	• Based on formulas approved by regulator and used in annual compliance filings • Formulas based on operating income with certain regulatory adjustments

Avangrid: Networks

Generation assets within Avangrid networks

Operating Company	Facility Location	Facility Type	Installed Capacity (MW)	Year(s) Commissioned
NYSEG	Newcomb, NY	Diesel Turbine	4.3(1)	1967, 2017
NYSEG	Blue Mountain, NY (2)	Diesel Turbine	2.0	2019
NYSEG	Long Lake, NY (2)	Diesel Turbine	2.0	2019
NYSEG	Eastern New York (6 locations)	Hydroelectric	61.4	1921-1986
RG&E	Rochester, NY (3 locations)	Hydroelectric	57.1	1917-1960
UI (3)	Connecticut (4 locations)	Fuel cell / Solar	13.4(3)	2015 - 2016

- UI is party to a 50-50 joint venture with certain affiliates of Clearway Energy, Inc. in GCE Holding LLC, whose wholly-owned subsidiary, GenConn, operates two 200 MW(4) peaking generation plants in Devon and Middletown, both in Connecticut.

(1) 2 Units totaling 4.3 MW, However, Unit 2 has a fuel mix of Kerosene & Diesel which limits output; total available capacity = 4.1 MW.

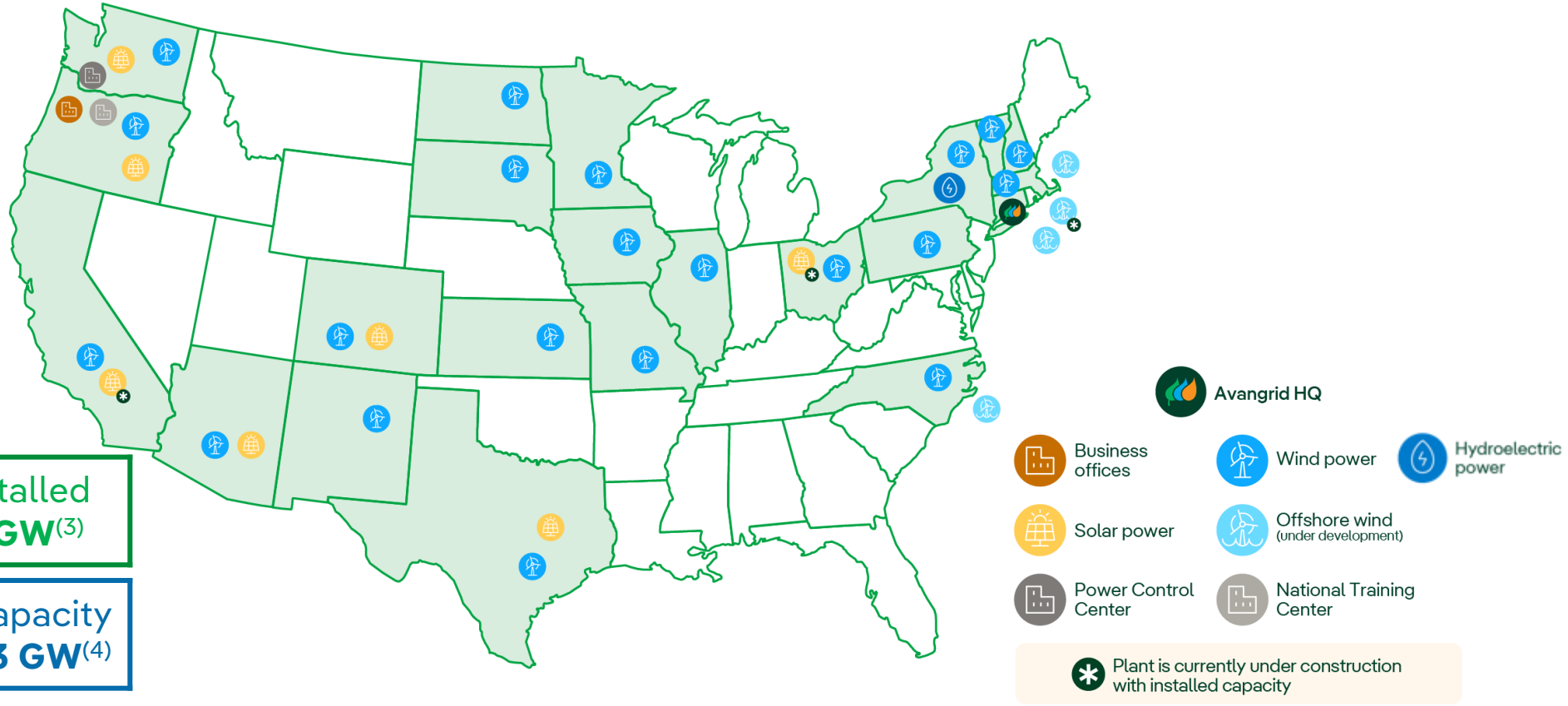
(2) Blue Mountain and Long Lake diesel turbines are rented facilities.

(3) Includes 2.2 MW of solar and UIL Distributed Resources' Glastonbury Fuel Cell & Energy Recovery Generator 3.4 MW.

(4) Nameplate capacity.

Avangrid: Electricity Production & Customers

Third largest wind operator in the U.S.[1] with 9.6[2] GW wind and solar installed; leading large-scale offshore wind development in the U.S.



2024 Power Installed Capacity: **10.2 GW**[3]

2024 Installed Capacity (incl. Hydro): **10.3 GW**[4]

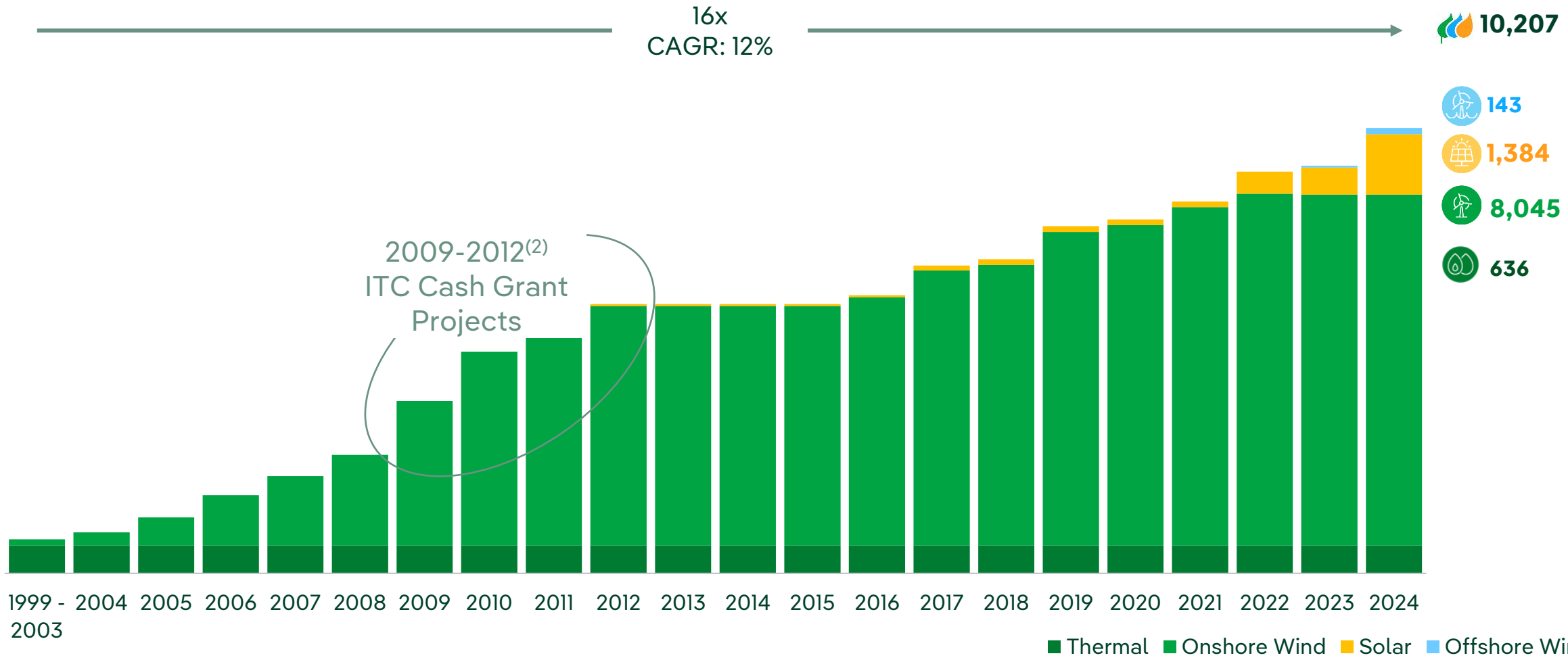
1.5 GW[5] onshore & offshore under construction

(1) As of 30/04/2025 ACP data
(2) As of 12/31/2024
(3) Includes capacity from onshore wind, solar, thermal and offshore assets (excludes hydro)
(4) Including hydro 118 MW, this technology is managed by the Networks business
(5) Including 100% 806 MW Vineyard Wind 1, a 50/50 joint venture between Avangrid Power and Copenhagen Infrastructure Partners.

Avangrid: Electricity Production & Customers

Continued and sustained growth as a leading power company

Historical Installed Capacity (MW)[1]



(1) As of 31/12/2024

(2) 2009-2012 Projects funded with Section 1603 ITC cash grants (Power received $2B in cash for $6B investment; no PTCs)

Avangrid: Electricity Production & Customers

Portfolio characteristics (as of 12/31/2024)

- ✓ **Installed capacity of 10.2 GW[(1)] in 21 states & 8 electric power markets**
- ✓ **~76% of wind and solar installed capacity under long-term contract**
- ✓ **~11 years average remaining PPA life**
- ✓ **Target 75-85% capacity under contract and/or hedged**
- ✓ **Weighted Average PPA price realized to date = $44/MWh**
- ✓ **Escalators on ~46% of PPAs, some tied to inflation**
- ✓ **Offshore wind PPAs contain 2.5% fixed price escalators**
- ✓ **Production tax credits[(2)] are inflation adjusted**
- ✓ **Industry-leading energy management capabilities**
- ✓ **24/7 operations, maintenance, dispatch, & load balancing for 78 operating wind, solar and thermal assets**

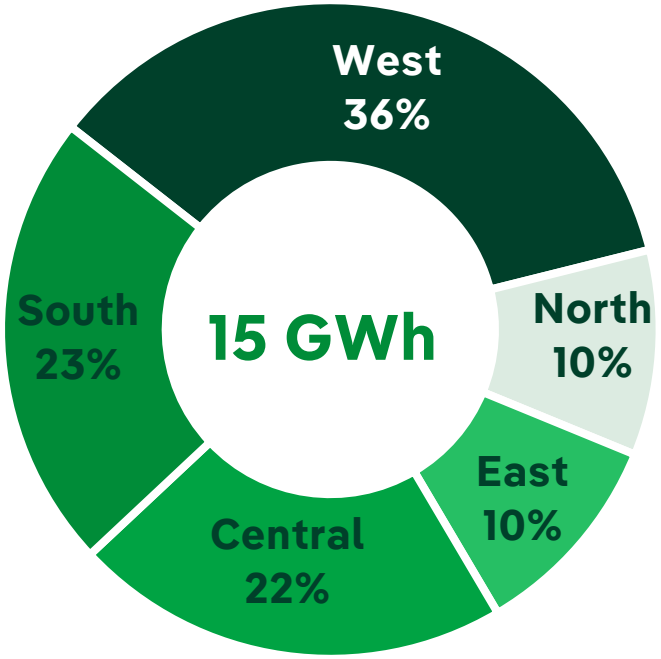
(1) Includes Onshore & Offshore Wind, Solar, Thermal (excluding hydro)

(2) $29/MWh for facilities placed in service before 2022 and $30/MWh for facilities placed in service starting 2022. Bonus credits are available for projects that meet domestic content and energy community requirements.

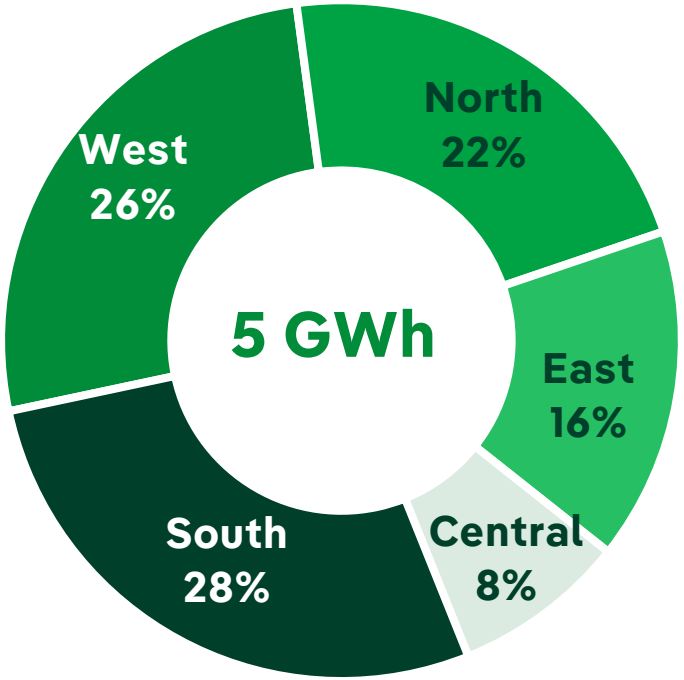
Avangrid: Electricity Production & Customers

Renewable portfolio characteristics based on 2024 annual production

Contracted (76%)



Merchant (24%)

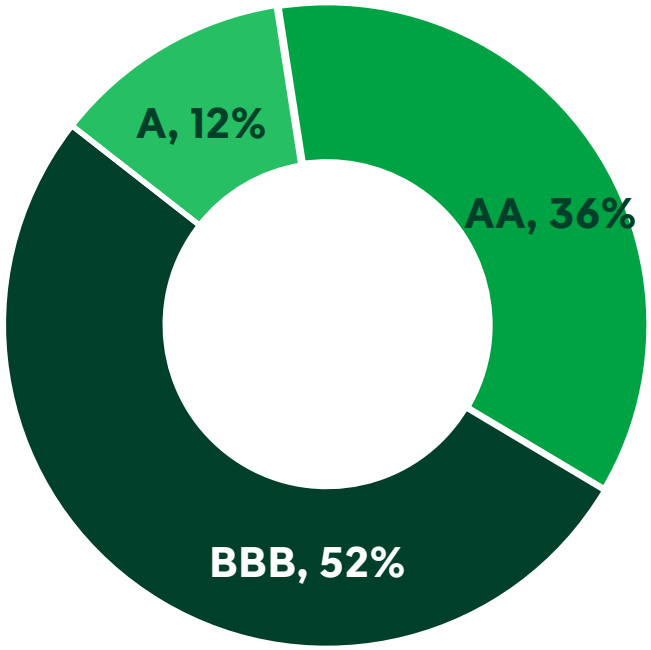


Note: excluding joint ventures & managed assets

Avangrid: Electricity Production & Customers

Strong investment grade(1) counterparties

PPA/Structured (75%)

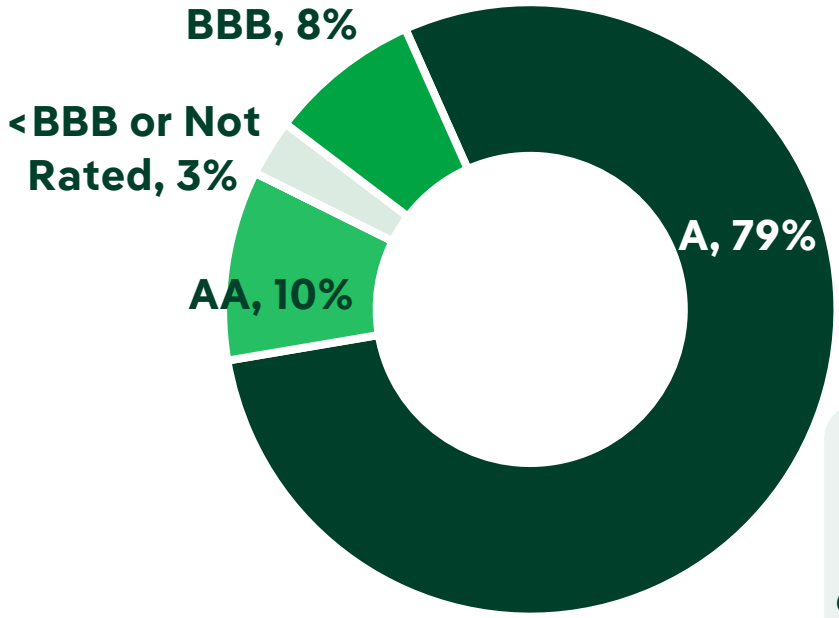


~100% Investment Grade

Exposure by Customer Type

58%	Utilities(2)
22%	Municipal
11%	Energy
9%	Other(3)

Trading/Master Agreement (25%)



~100% Investment Grade

Exposure by Customer Type

65%	Utilities(2)
15%	Energy
14%	Municipal
5%	Other (3)

(1) Investment grades according to Credit Agencies

(2) Utilities section includes Utilities, Cooperatives and Joint Power Agencies.

(3) Other section includes Tech Companies, Educational Institutes and Communication Industries.

Amounts may not add up due to rounding.

Avangrid: Electricity Production & Customers

Location	Wind Project	Turbines	MW	COD Year	NERC Region	Contracted/ Merchant	PTC/ITC	Tax Equity
Arizona	Dry Lake	30 (Suzlon, S88, 2.1 MW)	63	2009	WECC	Contracted	Cash Grant	
	Dry Lake II [1]	31 (Suzlon, S88, 2.1 MW)	33	2010	WECC	Contracted	Cash Grant	Tax Equity
California	Dillon	45 (MHI, MWT62/1.0, 1 MW)	45	2008	CAISO	Contracted	PTC Expired	
	Manzana	126 (GE, 1.5sle, 1.5 MW)	189	2012	CAISO	Contracted	Cash Grant	
	Mountain View III	34 (Vestas, V47, 0.66 MW)	22	2021	CAISO	Contracted	PTC	Tax Equity
	Phoenix	3 (NEG MICON, NM48, 0.7 MW)	2	1999	CAISO	Merchant	PTC Expired	
	Shiloh	100 (GE, 1.5sle, 1.5 MW)	150	2006	CAISO	Contracted	PTC Expired	
	Tule	57 (GE, GE2.3, 2.3 MW)	131	2018	CAISO	Contracted	PTC	
Colorado	Colorado Green	100 (GE, 1.5sle RP1.62, 1.62 MW)	162	2020	WECC	Contracted	PTC	Tax Equity
	Twin Buttes	50 (GE, 1.5sle, 1.5 MW)	75	2007	WECC	Contracted	PTC Expired	
	Twin Buttes II	36 (Gamesa, G114, 2.1 MW)	75	2017	WECC	Contracted	PTC	
Illinois	Cayuga Ridge	150 (Gamesa, G87, 2 MW)	300	2010	PJM	Contracted	Cash Grant & PTC	
	Midland	25 (Vestas, V136 (4) and V150 (21), V136 (3.8 MW) and V150 (4.3 MW))	106	2023	PJM	Contracted	PTC	
	Otter Creek	42 (Vestas, V136 & V126, 3.8 MW & 3.45 MW)	158	2020	PJM	Contracted	PTC	Tax Equity
	Providence Heights	36 (Gamesa, G87, 2 MW)	72	2008	PJM	Merchant	PTC Expired	
Iowa	Barton	79 (Gamesa, G87, 2 MW)	158	2009	MISO	Partially Contracted	Cash Grant	
	Flying Cloud	29 (GE, 1.5s, 1.5 MW)	44	2003	MISO	Contracted	PTC Expired	
	New Harvest	50 (Gamesa, G87, 2 MW)	100	2012	MISO	Contracted	Cash Grant	
	Top of Iowa II	40 (Gamesa, G87, 2 MW)	80	2007	MISO	Contracted	PTC Expired	
	Winnebago	10 (Gamesa, G83, 2 MW)	20	2008	MISO	Contracted	PTC Expired	
Kansas	Elk River	100 (GE, 1.5sle, 1.5 MW)	150	2005	SPP	Contracted	PTC Expired	
Massachusetts	Hoosac	19 (GE, 1.5sle, 1.5 MW)	29	2012	ISO-NE	Merchant	Cash Grant	
Minnesota	Elm Creek	66 (GE, 1.5sle, 1.5 MW)	99	2008	MISO	Contracted	PTC Expired	
	Elm Creek II	62 (MHI, MWT95/2.4, 2.4 MW)	149	2010	MISO	Merchant	Cash Grant	
	MinnDakota	100 (GE, 1.5sle, 1.5 MW)	150	2008	MISO	Contracted	PTC Expired	
	Moraine I	34 (GE, 1.5s, 1.5 MW)	51	2003	MISO	Merchant	PTC Expired	
	Moraine II	33 (GE, 1.5sle, 1.5 MW)	50	2009	MISO	Contracted	Cash Grant	
	Trimont	67 (GE, 1.5sle RP1.62, 1.6 MW)	107	2021	MISO	Contracted	PTC	
Missouri	Farmers City	72 (Gamesa, G87, 2 MW)	144	2009	MISO	Merchant	Cash Grant & PTC	

(1) Jointly owned; capacity amounts represent only Power's share of the facility.

Avangrid: Electricity Production & Customers

Location	Wind Project	Turbines	MW	COD Year	NERC Region	Contracted/ Merchant	PTC/ITC	Tax Equity
New Hampshire	Groton	24 (Gamesa, G87, 2 MW)	48	2012	ISO-NE	Merchant	Cash Grant	
	Lempster	12 (Gamesa, G87, 2 MW)	24	2008	ISO-NE	Merchant	PTC Expired	
New Mexico	El Cabo	142 (Gamesa, G114, 2.1/2 MW)	298	2017	CAISO	Contracted	PTC	Tax Equity
	La Joya	111 (Gamesa/GE, 2.82 & G114, 2.82 MW & 2.6 MW)	306	2021	WECC	Contracted	PTC	
New York	Hardscrabble	37 (Gamesa, G90, 2 MW)	74	2011	NYISO	Merchant	Cash Grant	
	Maple Ridge I [1]	140 (Vestas, V82, 1.65 MW)	116	2006	NYISO	Merchant	PTC Expired	
	Maple Ridge II Y	55 (Vestas, V82, 1.65 MW)	45	2006	NYISO	Merchant	PTC Expired	
	Roaring Brook	20 (Gamesa, 5-G114/15-SG145, 2.625 MW/4.2 MW/4.5 MW)	80	2021	NYISO	Contracted	PTC	Tax Equity
North Carolina	Desert Wind	104 (Gamesa, G114, 2 MW)	208	2017	PJM	Contracted	PTC	
North Dakota	Rugby	71 (Suzlon, S88, 2.1 MW)	149	2009	MISO	Partially Contracted	Cash Grant	
Ohio	Blue Creek	152 (Gamesa, G90, 2 MW)	304	2012	PJM	Partially Contracted	Cash Grant	
Oregon	Golden Hills	51 (Vestas/GE, V150 and GE 116, 4.3 MW & 2.5 MW)	201	2022	WECC	Contracted	PTC	Tax Equity
	Hay Canyon	48 (Suzlon, S88, 2.1 MW)	101	2009	WECC	Partially Contracted	Cash Grant	
	Klondike I	16 (GE, 1.5s, 1.5 MW)	24	2001	WECC	Merchant	PTC Expired	
	Klondike II	50 (GE, 1.5sle RP1.62, 1.62 MW)	81	2021	WECC	Partially Contracted	PTC	
	Klondike III	80 (GE, 1.5sle, 1.5 MW); 1 (MHI, MWT102/2.4, 2.4 MW); 44 (Siemens, SWT-2.3-93, 2.3 MW)	224	2007	WECC	Partially Contracted	PTC Expired	
	Klondike IIIA	51 (GE, 1.5sle, 1.5 MW)	77	2008	WECC	Merchant	PTC Expired	
	Leaning Juniper IIA [2]	42 (Suzlon, S88, 2.1 MW)	88	2010	WECC	Merchant	Cash Grant	
	Leaning Juniper IIB [2]	74 (GE, 1.5sle, 1.5 MW)	111	2011	WECC	Merchant	Cash Grant	
	Montague	56 (Vestas, V136 & V126, 3.6 MW & 3.45 MW)	201	2019	WECC	Contracted	PTC	Tax Equity
	Pebble Springs	47 (Suzlon, S88, 2.1 MW)	99	2009	WECC	Contracted	Cash Grant	
	Star Point	47 (Suzlon, S88, 2.1 MW)	99	2010	WECC	Contracted	Cash Grant	
Pennsylvania	Casselman	23 (GE, 1.5sle, 1.5 MW)	35	2007	PJM	Contracted	PTC Expired	
	Locust Ridge I	13 (Gamesa, G87, 2 MW)	26	2007	PJM	Contracted	PTC Expired	
	Locust Ridge II	50 (Gamesa, G83, 2 MW)	100	2009	PJM	Contracted	Cash Grant	
	South Chestnut	23 (Gamesa, G90, 2 MW)	44	2012	PJM	Contracted	Cash Grant	

(1) Jointly owned; capacity amounts represent only Power's share of the facility.

(2) Includes 2 projects; Leaning Juniper II A, (88.2 MW pre-repower, 98.2 MW post-repower (16.78 MW currently contracted, fully contracted post-repower)), & Leaning Juniper II B (111 MW, Merchant)

Avangrid: Electricity Production & Customers

Location	Wind Project	Turbines	MW	COD Year	NERC Region	Contracted/ Merchant	PTC/ITC	Tax Equity
South Dakota	Buffalo Ridge	24 (Suzlon, S88, 2.1 MW)	50	2009	MISO	Merchant	PTC Expired	
	Buffalo Ridge II	105 (Gamesa, G87, 2 MW)	210	2010	MISO	Merchant	Cash Grant	
	Coyote Ridge (1)	39 (GE, 2.3 & 2.52, 2.3 & 2.52 MW)	20	2019	MISO	Contracted	PTC	Tax Equity
	Tatanka (1)	56 (GE, 2.82 & 2.3, 2.82 MW & 2.3 MW)	23	2021	MISO	Contracted	PTC	Tax Equity
Texas	Baffin	101 (Gamesa, G97, 2 MW)	202	2016	ERCOT	Merchant	PTC	
	Barton Chapel	60 (Gamesa, G87, 2 MW)	120	2009	ERCOT	Merchant	Cash Grant	
	Karankawa	124 (GE, 2.3, 2.5, & 2.52, 2.3 MW, 2.5 MW, & 2.52 MW)	307	2019	ERCOT	Contracted	PTC	Tax Equity
	Patriot	63 (Vestas, V136 & V126, 3.6 MW & 3.45 MW)	226	2019	ERCOT	Merchant	PTC	Tax Equity
	Penascal	84 (MHI, MWT92/2.4, 2.4 MW)	190	2009	ERCOT	Partially Contracted	Cash Grant	
	Penascal II	83 (MHI, MWT92/2.4, 2.4 MW)	194	2010	ERCOT	Partially Contracted	Cash Grant	
Vermont	Deerfield	15 (Gamesa, G87/G97, 2 MW)	30	2017	ISO-NE	Contracted	PTC	
Washington	Big Horn	133 (GE, 1.5sle, 1.5 MW)	200	2006	WECC	Contracted	PTC Expired	
	Big Horn II	25 (Gamesa, G90, 2 MW)	50	2010	WECC	Contracted	Cash Grant	
	Juniper Canyon	62 (MHI, MWT95/2.4, 2.4 MW)	149	2011	WECC	Merchant	Cash Grant	

(1) Jointly owned; capacity amounts represent only Power's share of the facility.

Avangrid: Electricity Production & Customers

Solar PV & Conventional

Location	Project	Type	MW	COD Year	NERC Region	Contracted/ Merchant	PTC/ITC
Arizona	Copper Crossing Solar [1]	Solar	12	2011	WECC	Contracted	Cash Grant
Colorado	San Luis Solar	Solar	35	2012	WECC	Contracted	Cash Grant
Oregon	Bakeoven Solar I	Solar	80	2024	WECC	Contracted	ITC
	Daybreak	Solar	189	2024	WECC	Contracted	ITC
	Gala Solar	Solar	70	2017	WECC	Contracted	ITC
	Pachwáywit Fields (Montague Solar)	Solar	211	2023	WECC	Contracted	PTC
	Wy' East	Solar	13	2018	WECC	Contracted	ITC
Texas	True North	Solar	321	2024	ERCOT	Contracted	PTC
Washington	Lund Hill Solar	Solar	194	2022	WECC	Contracted	PTC
Oregon	Klamath Cogen	Thermal	536	2001	WECC	Merchant	N/A
	Klamath Peakers	Thermal	100	2002	WECC	Merchant	N/A

(1) Jointly owned; capacity amounts represent only Power's share of the facility.

Avangrid: Electricity Production & Customers

Offshore Vineyard Wind 1

Nation's first utility-scale offshore wind energy project, with 806 MW installed capacity

PROJECT'S BENEFITS

- ✓ **Project currently ~80% completed**
- ✓ **400,000** homes powered
- ✓ Ratepayer savings: **$3.7B** in energy related costs
- ✓ **Thousands** of local full-time equivalent jobs created

- ✓ Estimated construction cost of $4.5B
- ✓ **PPA:** 400MW contracted at $74/MWh and 400MW at $65/MWh
- ✓ Revenues including PPAs +RECs amount to **$88.77 on average** (20 yrs)
- ✓ **$2B Tax Credits received**

- ✓ **First power achieved in December 2023**
- ✓ **Estimated commercial operation date in December 2025**

Located 15 miles off the coast of Massachusetts

Avangrid: Electricity Production & Customers

Renewables P&L Components (US GAAP)

Gross Margin	+ **Wind & Solar** (~80% of Renewable Gross Margin in 2024) ✓ Installed Capacity (MW) * Hours * Capacity Factor * Sale Price + **Thermal & other [includes biomass contract revenues, transmission sales and limited proprietary trading]** (~20% of Renewable Gross Margin in 2024) ✓ Includes Klamath (used to firm & balance loads for certain PPA contracts in the Northwest), biomass (contractual purchase of energy & resale from biomass facility owned by third party), transmission sales & limited proprietary power trading ✓ Tax equity (5-year recapture)
O&M Expenses	• **1/3 related to non-wind** operational aspects (growth, thermal, corporate costs …)
D&A	• **~28 year weighted average investment life for windfarms on a straight-line basis, net of ITC amortization**
Other Taxes Expense	• **Property, Franchise, and Payroll Taxes**
Other Income & Deduction	• **Consists of:** Finance income (primarily capitalized interest) combined with gains on non-current assets, offset by other deductions (non-service pension costs & charitable giving)
Interest Expense	• **Financial expenses** on intercompany debt and any other borrowings; excludes TEI financing costs, included within Minority interest under HLBV accounting
Income Tax	• **MACRs** tax treatment allows wind & solar assets to be **depreciated over 5 years**, recorded in the tax line and captured through deferred tax assets • **ITC & PTC** can **only** be utilized **at consolidated level** & **after NOLs are monetized** ✓ PTCs generated over 10 years and can be used over 20 years ✓ AGR is considered one taxpayer. After the NOLs are monetized, annual PTC utilization is limited to 75% of the consolidated tax liability
Minority Interest	• **Minority Interest** driven by HLBV accounting for tax equity structures; the HLBV method allocates earnings to the noncontrolling interest, which considers the cash & tax benefits provided to the tax equity investors

Avangrid: Electricity Production & Customers

Accounting criteria

PTC

- **P&L**
  - ✓ **GAAP:** For periods after 1/1/2018, PTCs with Tax Equity are indirectly included in Net income/(loss) attributable to non-controlling interests and retained PTCs are booked in the income tax line. Prior to that, PTCs with Tax Equity were booked in revenues and retained PTCs in the income tax line.
  - ✓ **IFRS (projections):** All PTCs are booked in revenues.
- **Balance Sheet**
  - ✓ For periods after 1/1/2018, PTCs with Tax Equity reduce 'Non-controlling interests' in the Equity section. In prior periods, PTCs with Tax Equity reduced 'Tax equity financing arrangements - VIEs' in the Non-current Liabilities section.
  - ✓ Retained PTCs reduce deferred income taxes.
- **Cash Flow**
  - ✓ Retained PTCs hit the 'Deferred taxes' line in Cash Flow from Operating Activities.
  - ✓ For periods after 1/1/2018, PTCs with TEI impact the 'Distributions to noncontrolling interests' line under Cash Flow from Financing Activities. For prior periods, PTCs with TEI impacted 'Payments on tax equity financing arrangements'. These lines include payments of PTCs and remaining debt/equity.

ITC

- **P&L**
  - ✓ **GAAP:** Booked on D&A (they lower D&A), below EBITDA
  - ✓ **IFRS (projections):** Booked as Other Operating Income, above EBITDA
- **Cash Flow**
  - ✓ ITCs provide an initial deferred tax benefit equal to 50% of the total ITC, recognized in year one

Tax Equity

- Wind farms under tax equity structures are **fully consolidated** in the consolidated balance sheet and the results of their operations (including depreciation) are reported in the consolidated statement of operations. Investors share is reported as Minority Interest
- Recorded as a **financing obligation** & amortized with the allocation to the tax equity investor of its share of cash distributions, MACRS, PTCs, & the tax impact of taxable income

Avangrid: Electricity Production & Customers

Federal Renewables Tax Incentives - IRA

Onshore Wind & Solar PTC Elections

Start Construction	COD Deadline	Onshore Project PTC*
2016	2022	100%
2017	2023	100%
2018	2024	100%
2019-2021	2025	100%
2022	2026	100%
2023	2027	100%
2024	2028	100%
After 2025**	4 yrs. later	100%

** With Domestic Content & Energy Community bonus placed in service after 2022 – maximum 120% PTC*

Onshore Wind, Solar & Storage ITC Elections

Start Construction	COD Deadline	Project ITC*
2016	2022	30%
2017	2023	30%
2018	2024	30%
2019-2021	2025	30%
2022	2026	30%
2023	2027	30%
2024	2028	30%
After 2025**	4 yrs. later	30%

** With Domestic Content & Energy Community bonus placed in service after 2022 – maximum 50% ITC*

Offshore Wind ITC Progression

Start Construction	COD Deadline	Offshore Wind ITC*
Before 2033(1)	10 yrs. later	30%

(*) With Domestic Content & Energy Community bonus placed in service after 2022 – maximum 50% ITC. Energy communities are being pursued with the White House, DOE, states & Treasury. The expansion may allow inclusion of ports and O&M buildings as energy communities are dependent on location to gain the bonus tax credit.

- Projects started more than 59 days after IRS guidance issuance subject to wage/apprentice rules to get maximum credit (otherwise only 20% of maximum).
- Hydrogen credits up to $3/kg (or 30% ITC) available for hydrogen production facilities in service after 2022 (same wage/apprentice rules apply).
- Credits generated after 2022 may be transferred to third parties for cash from existing and new projects (including in TEI structures).
- Direct pay only available for tax exempt entities other than hydrogen facilities (PTCs only generated in first five years for hydrogen facilities).
- Various projects may qualify for energy community credit (10% maximum).
- Bonus credits above do not include additional Low Income Community credits available in limited locations with less than 5 MWh projects.

Inflation Reduction Act is under review by the Government, and the outcome could impact the rules stated above

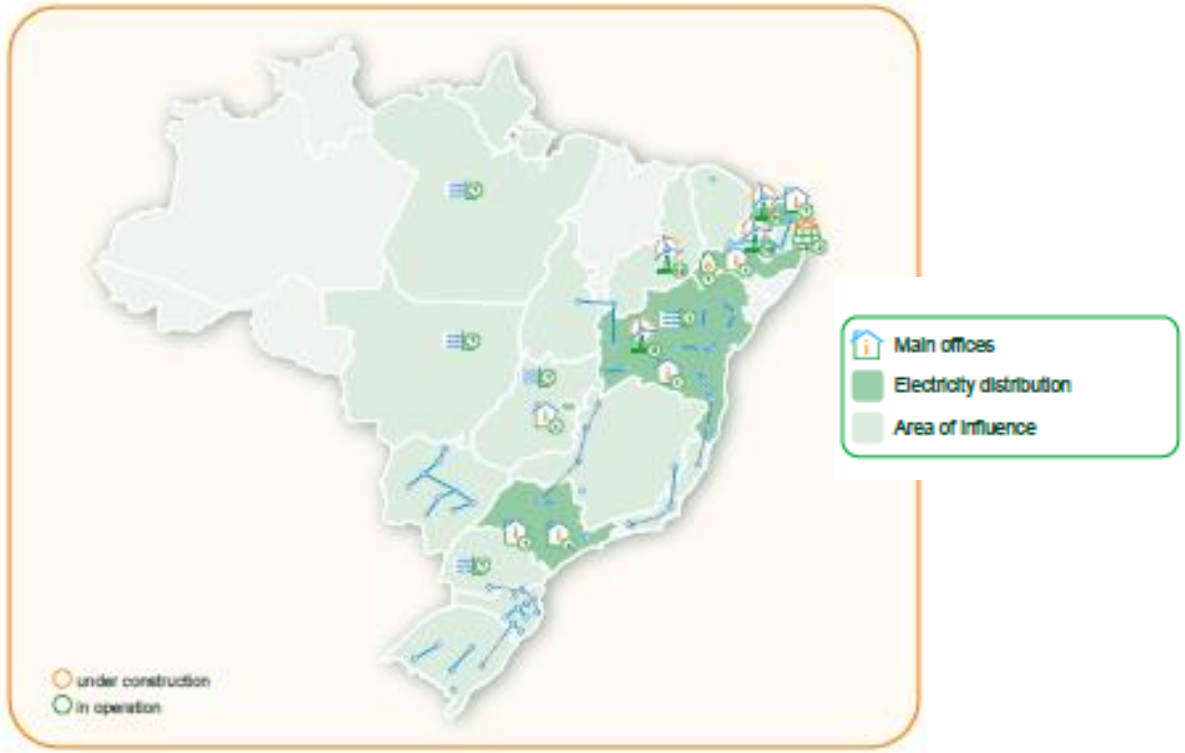
(1) Tech neutral projects phase out of credits begin after 2033 based on emissions.

Content

All figures as of December 2024, except otherwise stated. Differences may arise due to rounding

Neoenergia[1]

Energy leader in Brazil & Latin America



Installed Capacity (MW)	4,412
Renewable Capacity (MW)	3,862
Net Production (GWh)	11,224
Distributed Energy (GWh)	80,922
Customers (M)[2]	16.6
Km of lines	741,701

44 Onshore wind 1,554 MW

5 Hydroelectric plants 2,159 MW [1]

1 Combined cycle gas plants550 MW

13 Transmission lines in operation

2 Solar photovoltaic plants 149 MW

Projects under construction

5

Note: Neoenergia: 53.5% owned by Iberdrola

(1) Includes two hydro plants in Pará area : Belo Monte and Pimental

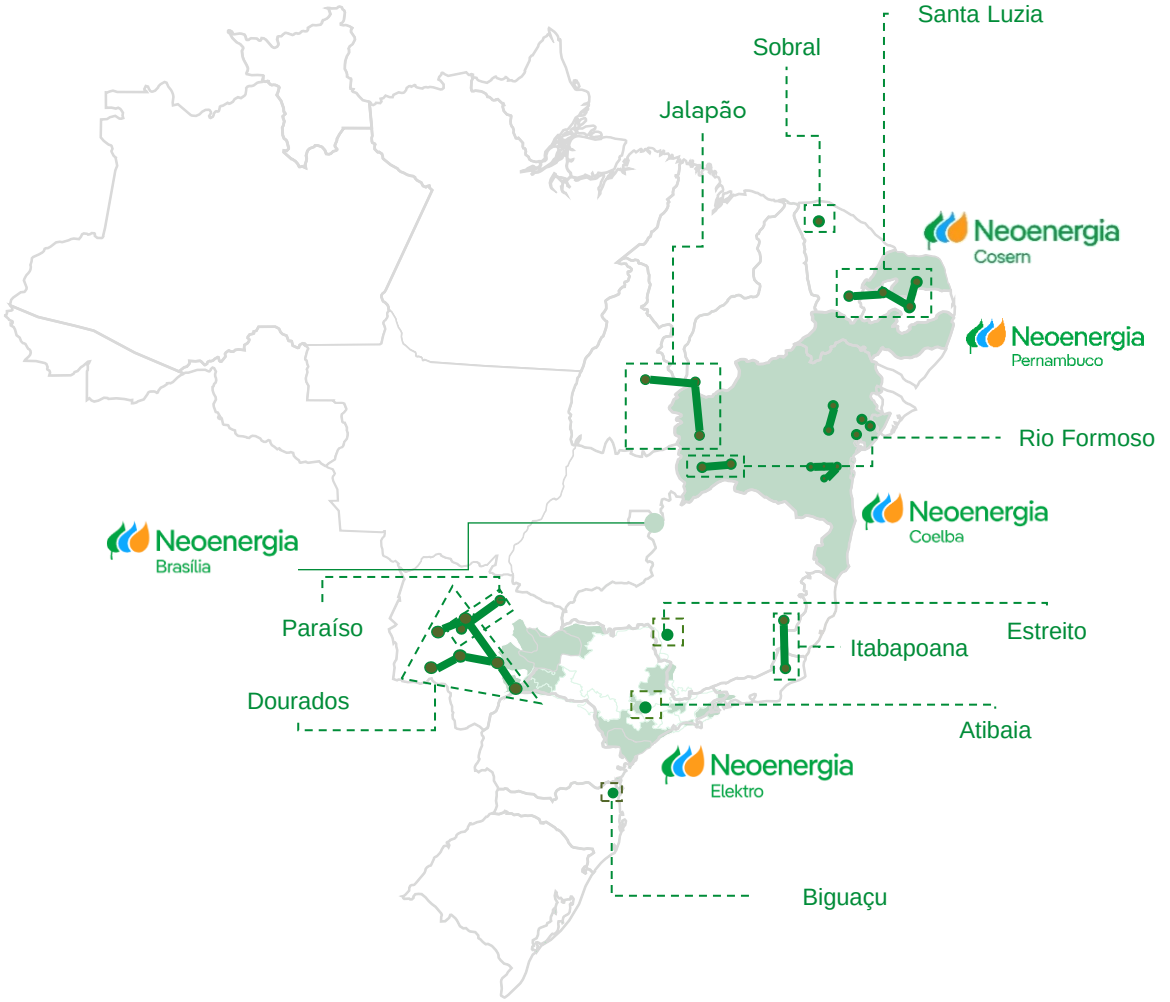
(2) Total number of electricity supply points

Neoenergia: Networks

Energy leader in Brazil & Latin America

	2024
Asset Base D&T (Bn BRL)	61.4
Distribution RAB (Bn BRL)	40.3
Neoenergia Elektro	19%
Neoenergia Coelba	47%
Neoenergia Pernambuco	20%
Neoenergia Cosern	10%
Neoenergia Brasilia	4%
Asset Base Transmission (Bn BRL)	21.0
Distributed energy (GWh)	80,922
Neoenergia Elektro	26%
Neoenergia Coelba	34%
Neoenergia Pernambuco	22%
Neoenergia Cosern	8%
Neoenergia Brasilia	10%

	2024
Kms of lines	741,701
Distribution	99.5%
Neoenergia Elektro	16%
Neoenergia Coelba	51%
Neoenergia Pernambuco	22%
Neoenergia Cosern	8%
Neoenergia Brasilia	3%
Transmission	0.5%
Points of supply (M)	16.6
Neoenergia Elektro	18%
Neoenergia Coelba	41%
Neoenergia Pernambuco	25%
Neoenergia Cosern	10%
Neoenergia Brasilia	7%



Neoenergia: Networks

Distribution regulatory framework

	Concession process	Concession / Authorization term	Renewal	Tariff / Revenues

Distribution	• Competitive auctions	• 30 years
		• Due date: Aug 2027 to Jul -2045[1]
			• Possible (+30 yrs)
			• May be changed Contractual conditions
			• Indemnification for non-depreciated assets
				• Tariff structured to remunerate for:
				  • Parcel A = pass-through of non-manageable costs: energy supply + transmission + sector charges
				  • Parcel B = incentive model for manageable costs (capex + opex). Annually adjusted by inflation + demand growth – X factor
				• Tariff review every 4-5 years: redefinition of Parcel B, X factor and regulatory level for energy loss and bad debt

Transmission	• Competitive auctions	• 30 years • Due date: Aug 2027 to Sept-2052[1]	• Possible, according to certain contractual clauses • Indemnification for non-depreciated assets	• RAP defined in the Concession Auction • Annual revenue inflation adjustment • Tariff review every 5 years (WACC readjustment only)

(1) Refers to the first and last asset to have its concession expired, considering operating and under construction assets

Neoenergia: Networks

Distribution: Tariff Review processes

PERIODIC TARIFF REVIEWS

EVERY 4 OR 5 YEARS

- Costs passed directly into the tariff: energy supply + transmission + sector charges.
- Definition of Regulatory Asset Base (RAB) and OPEX.
- Establish standards for losses, quality and an efficiency factor for the distributor.

ANNUAL TARIFF READJUSTMENTS

YEARLY, EXCEPT IN YEARS OF THE TARIFF REVIEWS

- Costs passed directly into the tariff: energy supply + transmission + sector charges.
- Manageable costs (Parcel B): adjusted by inflation – X factor.

Periodic Tariff Reviews Discos

2016	**Brasília** 4th tariff review	
2017	**Pernambuco** 4th tariff review	
2018	**Coelba and Cosern** 4th tariff review	
2019	**Elektro** 5th tariff review	
2021	**Pernambuco** 5th tariff review	**Brasília** 5th tariff review
2023	**Coelba and Cosern** 5th tariff review	**Elektro** 6th tariff review
2025	**Pernambuco** 6th tariff review	
2026	**Brasília** 6th tariff review	
2027	**Elektro** 7th tariff review	
2028	**Coelba and Cosern** 6th tariff review	

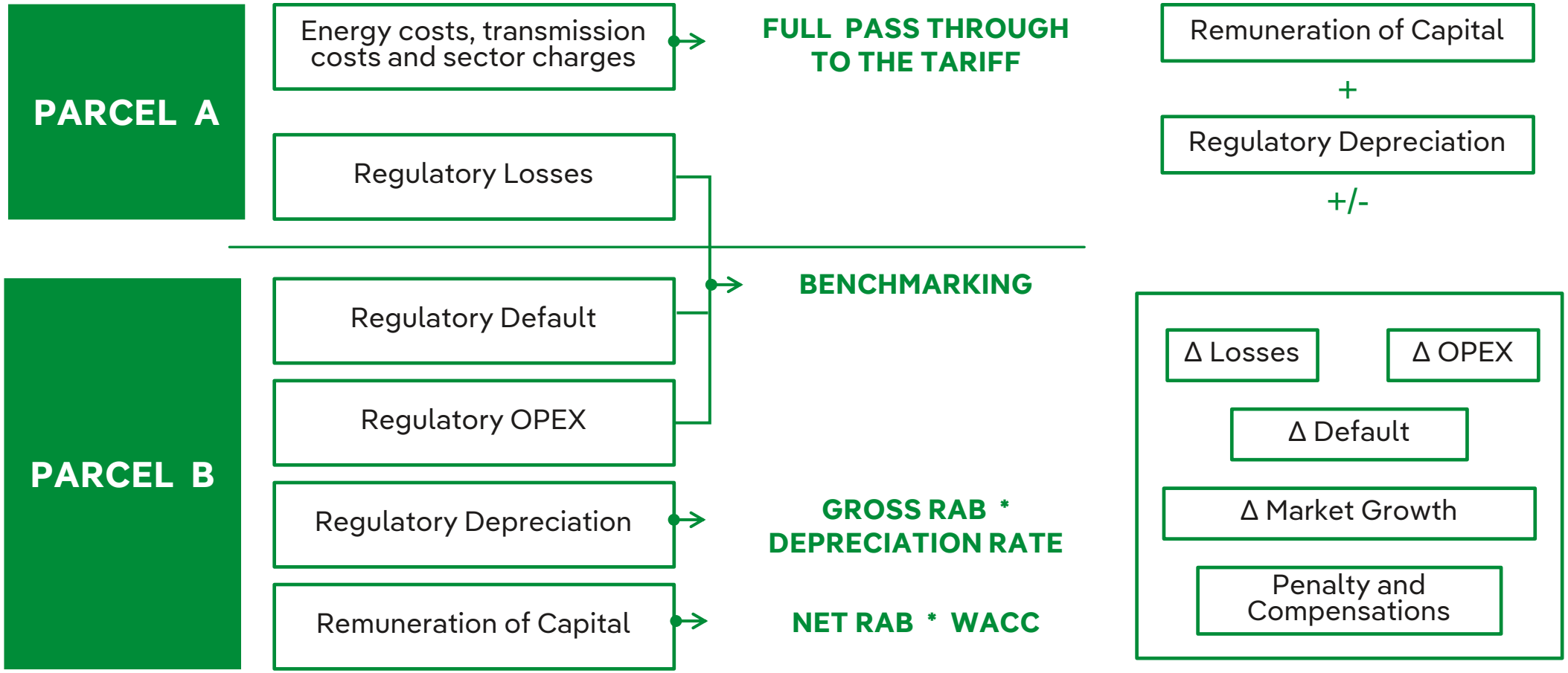
Real Regulatory WACC post tax	
Coelba[1]	7.42%
Cosern[1]	7.42%
Elektro[2]	7.42%
Pernambuco[3]	8.06%
Brasília[4]	7.15%

Real Regulatory WACC post tax 2025: 8.06%[(5)]

[1] valid until April 2028.
[2] valid until August 2028.
[3] valid until April 2025.
[4] valid until October 2026.
[5] WACC published by ANEEL, applied to the Tariff Reviews taking place between March 2025 and February 2026

Neoenergia: Networks

Distribution: tariff's components



Neoenergia: Networks

Distribution: regulatory parameters

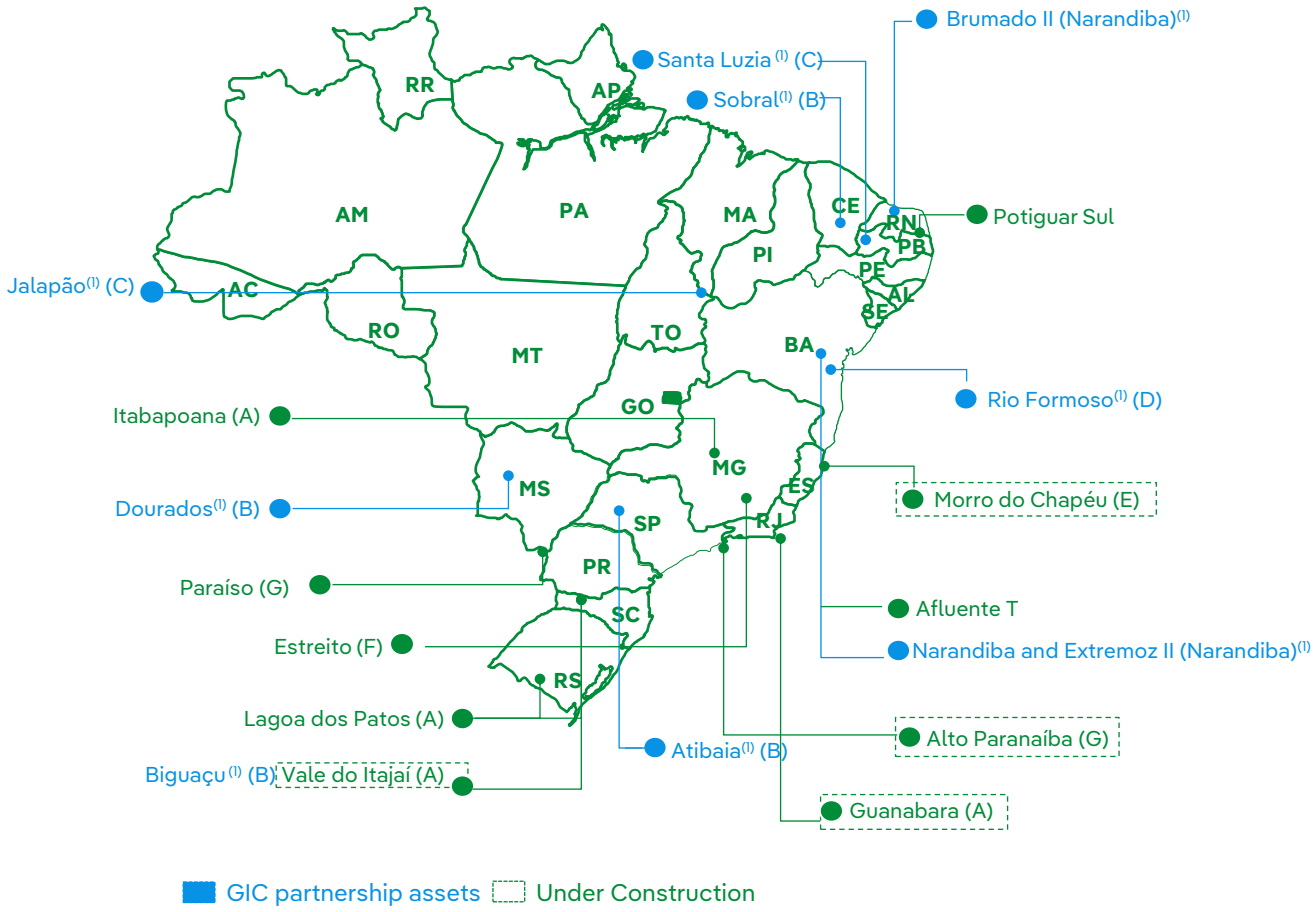
	Real Regulatory WACC post tax	Factor X[5]	QRR[6]	Gross BRR[7]	Net BRR[7]
Neoenergia Coelba	7.42%[1]	0.57%	3.96%	27,390	18,928
Neoenergia Elektro	7.42%[2]	-3.13%	4.05%	10,871	7,589
Neoenergia Pernambuco	8.06%[3]	0.15%	3.86%	12,694	8,085
Neoenergia Cosern	7.42%[1]	-1.37%	3.96%	5,419	4,023
Neoenegia Brasília	7.15%[4]	-0.03%	3.71%	2,811	1,723

(1) Valid until April 2028
(2) Valid until August 2027
(3) Valid as of April 2025
(4) Valid until October 2026

5) Factor X: referring to the last Tariff Adjustment: 2024 (Pernambuco, Coelba, Elektro, Cosern e Brasília)
6) QRR (Regulatory depreciation rate): referring to the last Tariff Revision: 2023 (Coelba, Elektro and Cosern); 2021 (Brasília and Pernambuco)
7) Gross BRR and Net BRR: data as of December 2024. Both refer to Regulatory Asset Base

Neoenergia: Networks

Transmission



Highlights

Operational Assets

14 assets:

- 3.8 thousand km of transmission lines;
- 17 substations;
- RAP released (2024/25 cycle): R$ 1 billion

Assets under construction

4 assets:

- 4.6 thousand km of transmission lines;
- 9 substations;
- Remained RAP (2024/25 cycle): R$ 0.9 billion

Information on auction results : https://antigo.aneel.gov.br/web/guest/resultados-de-leiloes
(1) GIC partnership assets

(A) Dec´2018 Auction (B) Apr´2017 Auction (C) Dec´2017 Auction (D) Dec´2019 Auction (E) Dec´2020 Auction (F) Dec´2021 Auction (G) Jun´2022 Auction

Neoenergia: Electricity Production & Customers

Renewables

Onshore	State	MW IBE	COD	Income Regime
Caetité I	Bahia	30	2014	Commercial PPA
Caetité II	Bahia	30	2014	Regulated PPA 2010/A-3
Caetité III	Bahia	30	2014	Regulated PPA 2010/A-3
Canoas	Paraíba	32	2017	Regulated PPA 2014/A-5
Lagoa 1	Paraíba	32	2017	Regulated PPA 2014/A-5
Lagoa 2	Paraíba	32	2017	Regulated PPA 2014/A-5
Rio do Fogo	Rio Grande do Norte	49	2006	Regulated PPA PROINFA
Mel II	Rio Grande do Norte	20	2013	Regulated PPA 2010/A-3
Arizona I	Rio Grande do Norte	28	2013	Regulated PPA 2010/A-3
Calango I	Rio Grande do Norte	30	2016	Regulated PPA 2010/A-3
Calango II	Rio Grande do Norte	30	2016	Regulated PPA 2010/A-3
Calango III	Rio Grande do Norte	30	2016	Regulated PPA 2010/A-3
Calango IV	Rio Grande do Norte	30	2016	Regulated PPA 2010/A-3
Calango V	Rio Grande do Norte	30	2016	Regulated PPA 2010/A-3
Calango VI	Rio Grande do Norte	30	2016	Regulated PPA 2014/A-3
Santana I	Rio Grande do Norte	30	2016	Regulated PPA 2014/A-3
Santana II	Rio Grande do Norte	24	2016	Regulated PPA 2014/A-3
Complejo eólico de Chafariz	Paraíba	471	2021	Regulated & Commercial PPAs
Complejo eólico de Oitis	Piauí / Bahia	566	2022-2023	Regulated & Commercial PPAs
Total		**1,553**		

Solar PV	State	MW	COD	Income Regime
Luzia 3	Paraiba	75	2022	Commercial PPAs
Luzia 2	Paraiba	75	2023	Commercial PPAs
Total		**149**		

Neoenergia: Electricity Production & Customers

Renewables

Hydro	State	Total MW	MW attributable to IBE	COD	Income Regime
Itapebi	Bahia	462	462	2003	Commercial PPA
Corumba III	Goias	96	68	2009	Regulated PPA
Dardanelos	Mato Grosso	261	261	2011	Regulated PPA
Belo Monte[1]	Pará	11,233	1,123	2016	Regulated & Commercial PPAs
Baixo Iguazú	Paraná	350	245	2019	Regulated & Commercial PPAs
Total		**12,402**	**2,159**		

Conventional Generation

CCGT	State	Type	MW
Termopernambuco	Pernambuco	CCGT	550

(1) 1,123 MW consolidated through equity method

Neoenergia: Electricity Production & Customers

Conventional Generation: Regulatory framework (I)

	Concession process	Concession/ authorization term	Renewal	Revenue
Wind	• Authorization request within ANEEL • Competitive auctions	• 30 - 35 years • Expiry date: December 2031 until December 2054(1)	• Possible renewal at the discretion of the Granting Authority (ANEEL)	• 20-year PPAs to DisCos through competitive auctions with fixed prices yearly adjusted by inflation • Bilateral contracts at free market
Hydro	• Competitive auctions	• 35 years • Expiry date: May 2039 until December 2049(1)	• Possible renewal at the discretion of the Granting Authority (ANEEL)(2) • Possible indemnity after the end of the concession. Depending on the Hydro Plant, the Basic Project may or may not be included	• 30-year PPAs to DisCos through competitive auctions with fixed prices yearly adjusted by inflation • Bilateral contracts at free market

Note: Information on auction results: https://www.gov.br/aneel/pt-br/centrais-de-conteudos/relatorios-e-indicadores/leiloes

(1) Refers to the first and last asset to have its authorization expired

(2) Exception to Belo Monte and Baixo Iguaçu – without contractual provision

Neoenergia: Electricity Production & Customers

Conventional Generation: Regulatory framework (II)

	Concession process	Concession/ authorization term	Renewal	Revenue
Gas [1]	• Authorization request within ANEEL	• Expiry date: 2041	• Capacity Reserve Auction in which all its available capacity was sold at a power price of R$ 487,412.70 MW/year • The supply was initially scheduled to start on July 1st, 2026, with a 15-year duration (until June 30, 2041). However, the start of the contract was brought forward by 21 months, to October 1st, 2024.	• 20-year PPAs to Neoenergia Pernambuco (390 MW) and Neoenergia Coelba (65 MW) regarding the Thermoelectricity Priority Program (PPT) until May 2024; • Fixed power revenue of R$ 231 million[1] per year from the Capacity Reserve Auction, as of October 1st, 2024.

(1) Updated value for 2024.

Content

All figures as of December 2024, except otherwise stated. Differences may arise due to rounding

Iberdrola Mexico

Second-largest electricity producer

Owned Installed Capacity (MW)	2,600
Third-party Installed Capacity (MW)	-
Owned Renewable Capacity (GWh)	1,232
Third-party Renewable Capacity (MW)	-
Net Owned Production (GWh)	12,980
Net Third-party Production (GWh)	6,155

Note: Includes production from the assets included in the transaction perimeter until 26th February 2024.

Iberdrola Mexico: Electricity Production & Customers

Recent developments

Transaction description

- In **February 2024** Iberdrola completed the sale of 8.5 GW for 5.800 million euros (c.6,000 USD) to Mexico Infrastructure Partners (MIP).
- The operation included the sale of 13 power plants, mainly gas-fired combined cycle plants. Ten of this plants are contracted uder the scheme of Independent Power Producer (IPP), with CFE (State-owned utility) as the off- taker.

Name Plant	Scheme and Technology	Capacity (MW)
Monterrey (I, II)	Combined Cycle	449
Altamira III & IV	IPP Combined Cycle	1,096
Altamira V (Del Golfo)	IPP Combined Cycle	1,155
Escobedo	IPP Combined Cycle	878
La Laguna	IPP Combined Cycle	537
Tamazunchale	IPP Combined Cycle	1,179
Baja California	IPP Combined Cycle	324
Topolobampo II	IPP Combined Cycle	917
Topolobampo III	IPP Combined Cycle	766
La Venta III	IPP Wind Farm	103
Monterrey III & IV	WEM Combined Cycle	477
Enertek	WEM Combined Cycle	144
Tamazunchale II	WEM Combined Cycle	514
Total Capacity		**8,539**

The New Iberdrola Mexico

- 15 power plants with 2.600 MW in installed capacity

	Capacity	Quantity
Renewables	**1,233 MW**	**9**
Wind farm	590 MW	6
Solar PV	643 MW	3
Gas	1,166 MW	2
Cogeneration	202 MW	4
Total	2,601	15
Renewable Portfolio		**>6,000 MW**

Iberdrola Mexico: Electricity Production & Customers

Renewables

Onshore	State	MW	Year of Installation	Income Regime
La Ventosa	Oaxaca	80	2008	Commercial PPA (Self-supply)
Bee Ni Stipa	Oaxaca	26	2010	Commercial PPA (Self-supply)
La Ventosa	Oaxaca	22	2013	Commercial PPA (Self-supply)
Dos Arbolitos	Oaxaca	70	2015	Commercial PPA (Self-supply)
Pier	Puebla	221	2021	Commercial PPA (Self-supply)
Santiago Eólico	Guanajuato	105	2021	Commercial PPA
Total		**590**		

Solar PV	State	MW	Year of Installation	Income Regime
Santiago	San Luis de Potosí	232	2018	Commercial PPA
Hermosillo	Sonora	137	2018	Commercial PPA
Cuyoaco	Puebla	274	2020	Commercial PPA
Total		**643**		

Iberdrola Mexico: Electricity Production & Customers

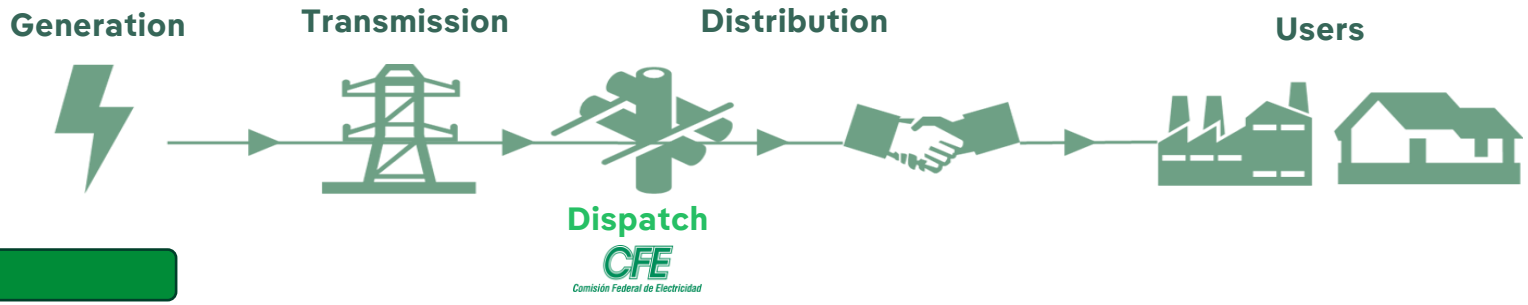
Conventional generation

Gas Combined Cycle	State	MW	COD	Income Regime
Dulces Nombres II	Nuevo León	300	2016	Commercial PPA
El Carmen	Nuevo León	866	2019	Commercial PPA
Total		**1,166**		

Cogeneration	State	MW	COD	Income Regime
Monterrey	Nuevo León	41	2003	Commercial PPA
Ramos	Coahuila	52	2016	Commercial PPA (Self-supply)
Altamira	Tamaulipas	57	2017	Commercial PPA (Self-supply)
Bajío	Querétaro	52	2018	Commercial PPA (Self-supply)
Total		**202**		

Iberdrola Mexico: Electricity Production & Customers

Regulatory Framework: Before the Energy Reform 2013



- CFE
- Private Generators
- Independent Power Producer
- Self-Supply
- Cogeneration

Vertically Integrated entity

In 1992, the Public Service Electricity Law (LSPEE) **allowed private companies to generate electricity** as:

- Independent Power Producer (sale to CFE through PPAs)
- Industrial off- takers with legal participation of a power plant under self supply scheme. .
- Support mechanisms were introduced to foster energy transition, including wheeling (renewables in the self-supply scheme had a discount to the transmission tariff).

Iberdrola Mexico: Electricity Production & Customers

Regulatory Framework: After the Energy Reform 2013

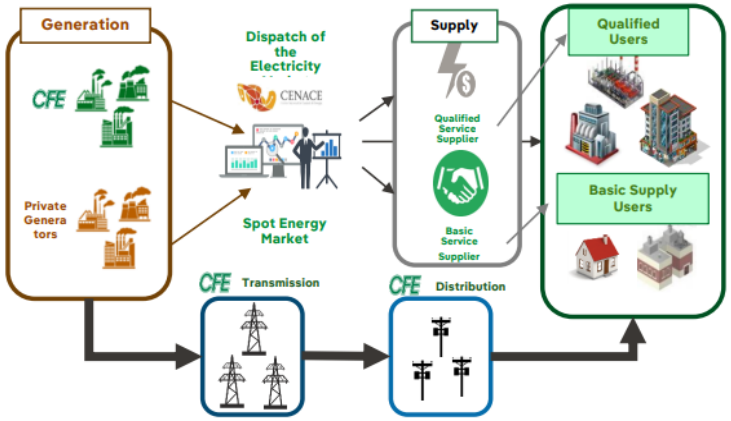
Energy Reform

Constitutional Reform: Allowed private participation in generation and supply activities. However, Transmission and Distribution (T&D) are defined as Public Service to be provided solely by CFE.

Electricity Industry Law (Ley Industria Eléctrica or LIE)*:
- Establishes competition in generation and supply to large users.
- T&D and supply to domestic consumers remained in hands of the State through CFE.
- A new Wholesale Electricity Market was created based mainly on PJM and ERCOT.

Energy Transition Law (Ley de Transición Energética): Legal basis to promote energy based in an economic model in the long term.

Wholesale Electricity Market Structure



Basics to the LIE

Grandfathering rights to previous permits	A legacy regime in place to protect the terms under self-supply and IPP permits were provided. Power plants under this regime would migrate to the Wholesale Electricity Market once their interconnection contracts expire.
Industrial Consumers	Qualified industrial and large consumers free to choose their supplier under market conditions.
Clean Energy Certificates (CEL)	Financial instruments to foster the energy transition and to reach the target of 35% clean energy by 2024.
Wholesale Electricity Market (MEM)	Economic dispatch, short term markets, (day ahead, hour ahead and real time), nodal prices, capacity and energy prices, as well as long and medium-term auctions.

*An Amendment to the LIE was published in 2021, its enactment hasn't taken place due to litigation with amparos granted to private individuals.

Iberdrola Mexico: Electricity Production & Customers

Regulatory framework

LSPEE

Self-supply

- Supply of energy and capacity to self-supply partner (industrial clients) under different criteria, depending on each client:
  - Discount over regulated tariff (*Suministro Básico*)
  - PPA - Fixed price for contracted capacity, etc.

Ley Industria Eléctrica (LIE)

- Generation to satisfy the needs of Iberdrola Clientes (qualified and last resource supplier) with hedging energy contract of the wholesale market products (*Mercado Eléctrico Mayorista - MEM*):

Energy | **Ancillary services** | **Green certificates (CELs)** | **Capacity**

- These products can be sold through bilateral contracts or in the market

Clean Energy certificates (CEL)

1 MWh = 1 CEL

- In 2019, the rules were modified so that Legacy Power Plants of CFE can receive CEL. In 2024 this was revoked and its necessary to stablish again the 2014 guidelines.
- The Amendment to the LIE changes the criteria for granting the CEL, regardless of property or COD.
- Suppliers, Qualified Suppliers participating in the MEM, who are isolated self-supplied and *Centros de Carga* are obliged to acquire them to comply with a percentage of clean energy supplied
- The CEL target of 2024 is the same as in 2023 and 2022 due to a judicial suspension related to changes to the electricity industry law.

CEL requirement	Clean Energy Targets
2018: 5%	2018: 25%
2019: 5.8%	2021: 30%
2020: 7.4%	2024: 35%
2021: 10.9%	2033: 39.9%
2022: 13.9%	2050: 50%
2023: 13.9%	2050: 50%
2024: 13.9%	

Iberdrola Mexico: Electricity Production & Customers

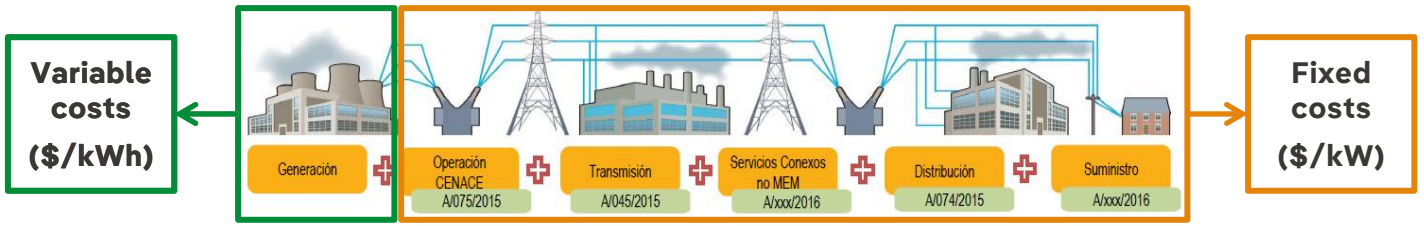
Customers: regulatory framework

Legacy Regime LSPEE (1992)

- Sale of energy and capacity generated by Iberdrola power plants under self-supply or cogeneration regime (*autoabasto*)
- Medium- and long-term contracts with self-supply partners (industrial clients), according to different criteria depending on each client

Regulated Tariff Suministro Básico

- Additive tariff incorporates the costs of all the activities in the system. The Federal Government set the target of maintaining the basic supply tariff throughout the six-year period.
- Components of the additive tariff :



Iberdrola Clientes (Qualified Supplier)

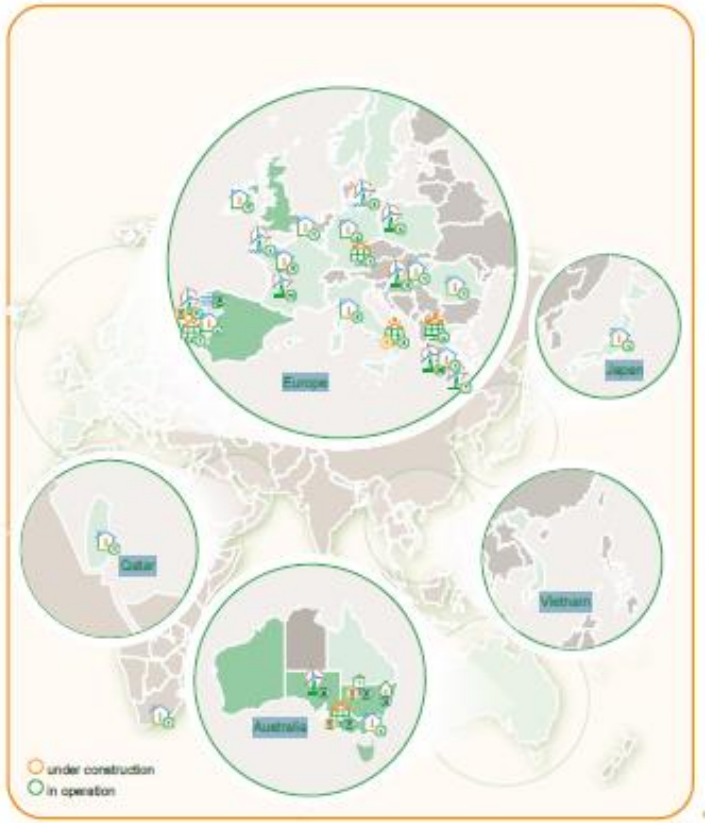
- Supply to liberalised clients (demand >1 MW)
- Requirements for long term hedging with Iberdrola power plants defined by *Comisión Reguladora de Energía* (CRE)
- Qualified supply tariff:
  - Fixed costs: according to regulated cost of the basic supply tariff (*suministro básico*)
  - Variable costs: according to the generation portfolio that supplies Iberdrola Clientes in the market.

Content

All figures as of December 2024, except otherwise stated. Differences may arise due to rounding

Iberdrola Energía Internacional (Rest of the World[1])

Expanding our international platform in renewables & customers



Installed Capacity (MW)	4,345
Renewable Capacity (MW)	4,102
Production (GWh)	8,036
Customers (M)(2)	0.4

Note: The data on the Daivoes, Gouvaes and Alto Tâmega hydroelectric power plants in Portugal are included in Iberdrola España, although they visually appear on this map

(1) Represented on this page is the activity of the group in the Rest of World, which is mainly carried out by Iberdrola Energía Internacional (IEI). However, electricity and gas customers of this segment depend on Iberdrola Clientes Internacional S.A., a subsidiary of the country subholding company Iberdrola España, S.A

(2) Electricity and gas customers of this segment depend on Iberdrola Clientes Internacional S.A., a subsidiary of the country subholding company Iberdrola España, S.A

Iberdrola Energía Internacional: Electricity Production & Customers

Renewables

Onshore	MW	Year of Installation	Support Regime
Australia	1,025	2005 - 2024	C&I / PPA / Merchant & LGCs
Cyprus	20	2011	FiT
Greece	415	1998-2023	Merchant/FiT/FiP
France	118	2007 - 2019	FiT + CfD + Merchant
Hungary	158	2008-2011	FiT
Portugal	92	2005-2009	FiT cap/floor
Poland	213	2021-2023	PPA+ Green Cert.
Total	**2,041**		

Solar	MW	Year of Installation	Support Regime
Greece	6	2006-2012	FiT
Australia	352	2021-2023	C&I / PPA & LGCs
Italy	65	2021-2024	Merchant + PPA
Portugal	185	2021-2023	Merchant - Toll (15 yr. duration)
Total	**608**		

Note: Green Certificates in Australia are called “LGCs”

Iberdrola Energía Internacional: Electricity Production & Customers

Renewables

Offshore	Country	MW	Year of Installation	Support Regime	Support level
Wikinger	Germany	350[1]	2017	Compressed tariff	194 €/MWh / 8yrs + 154€/MWh / 4 yrs (flat)
Saint Brieuc	France	496	2023	FIT	155 €/MWh (real 2012) / 18yrs - indexed
Baltic Eagle	Germany	476	2024	PPA	
Total		**1,322**			

Batteries	Country	MW	Year of Installation	Support Regime
Lake Bonney	Australia	25	2019	Merchant + Firming
Wallgrove	Australia	50	2021	Merchant + Firming
Total		**75**		

(1) 100% of total 350 MW. Minority stake (49%) sold to Energy Infrastructure Partners (EIP) in September 2022

Iberdrola Energía Internacional: Electricity Production & Customers

Conventional Generation

Gas Combined Cycle	Country	MW	COD	Income Regime
Smithfield OCGT	Australia	123	1996	Merchant + Firming
Bolivar Power Station	Australia	120	2017(1)	Merchant + Firming
		243		

(1) Lease acquired in November 2020 from the South Australian Government for a period of 25 years.

Iberdrola Energía Internacional: Electricity Production & Customers

Projects under construction

Project	Type	Country	Total MW	MW pending	COD	Income Regime
Broadsound PV & BESS	PV & BESS	Australia	557	557	Apr-26 (PV), Jul-26 (BESS)	C&I / PPA / Merchant & LGCs
Smithfield BESS	BESS	Australia	65	65	dic-25	Merchant + Firming
Limes 10 y 15	Solar PV	Italy	51	48	2025	PPA+ Merchant
Fenix	Solar PV	Italy	243	243	2025	PPA+ Merchant
Boldekow	Solar PV	Germany	56	56	2025	PPA
Schadewohl	Solar PV	Germany	65	65	2025	PPA
Windanker	Offshore	Germany	315	315	2026	PPA
Total			**1,352**	**1,349**		

Note: Green Certificates in Australia are called “LGCs”

Iberdrola Energía Internacional: Electricity Production & Customers

Regulatory support framework

Hungary

Feed-in-Tariff (FiT)
- Defined by Decree No. 389/2007 with subsequent amendments.
- Electricity sold at fixed tariff during maximum 15 years, at fixed price updated annually with inflation. No possibility to exit the support scheme (may move to Cfd scheme)

Merchant
- Windfarms with expired FiT
- Participation in the electricity market and Guarantees of Origin

France

Contract for Difference (CfD)
- Since 2016, defined by the Energy Code, articles L314-18 and following
- The duration of the contract is 20 years
- CfD attributed through auctions
- Tariff is indexed once before the commissioning and updated annually.

Feed-in-Tariff (FiT)
- Previous FiT defined under Arrêté 17/06/2014 and the Energy Code, benefits to onshore wind projects commissioned until 2016
- Support duration of 15 years
- Tariff is indexed once before the commissioning and updated annually.

Cyprus

Feed-in-Tariff (FiT)
- Defined under Law No. 112/2013 (later modified by 212/2015 and 157/2015). The feed-in tariff is limited to 20 years, but it may be extended for 5+5 years under some conditions.

Greece

Feed-in-Tariff (FiT)
- Defined by Law No. 3468/2006 (currently under Law No. 4254/2014). This scheme expired on 31 December 2015.
- The FiT agreement is limited to 20 years, and the FiT price depends on project details (technology, size, capex subsidy, installation on mainland or isolated islands, etc.). Due to reduction of FiT, under some conditions, it may be extended by additional 7 years with a revision on FiT price and a cap of NEHs. Projects have no market participation obligations

Feed-in-Premium (FiP)
- Defined by Law No. 4414/2016.
- Windfarms >6MW and PV projects enter into 20y FiP PPAs, awarded through neutral competitive tenders.
- Windfarms ≤6MW enter into 20-year FiP PPAS with administrative defined prices till 31.12.2025.
- Option for 2 years opt-out of first round FiP awarded projects with 2 years extension of FiP PPA

Merchant
- Windfarms with expired FiT
- Participation in the electricity market and Guarantees of Origin

Offshore Feed-in-Premium (FiP)
- Defined by Law 4964/22. Right for 20 years FiP to offshore pilot project 600MW by individual notification to EU. If not approval: participation in auctions for FiP. Rest offshore to be awarded FiP by auction

Iberdrola Energía Internacional: Electricity Production & Customers

Regulatory support framework

Portugal

Feed-in-Tariff (FiT)

- Defined by DL 339-C/2001 and DL 35/2013
- FiT under DL 339-C/2001 limited to 15 years. Under Option B of DL 35/2013 (reinterpreted by order 6304/2021), wind farms opt to receive a FiT extension for 7 years with floor of 66,03€/MWh and cap of 87,44€/MWh (June 2020 prices), reviewed annually with CPI

Merchant + fee (Solar plants)

- Defined by Leilão 2019 rules
- Merchant (wholesale market or PPA) and payment of a fee (€/MWh) offered in the auction for 15 years
- By DL 15/2022 - test period up to one year (delaying the start of fee payment)
- By DL72/2022 - extension of test period one year more

Australia

Green Certificates (GC)

- Defined by Renewable Energy (Electricity) Act 2000 with amendments.
- Wind farms receive 1 GC/MWh produced out to 2030. Utilities must purchase GCs for ~20% of load, up to an effective cap price of AUD$92/GC.

Long-Term Energy Service Agreement (LTESA) contracts

- Defined by Electricity Infrastructure Investment Act 2020
- Renewables can bid for 20-year "LTESA" contracts, comprising series of 2-year options for CFDs at a price sufficient to underwrite a portion of the project cost.

Capacity Investment Scheme (CIS)

- Defined by Industry Research and Development Act (2023 amendments)
- Zero emissions capacity can bid for 15-year collar contracts where if total revenues fall below the floor or above the ceiling, 90 % of losses and 50 % of gains will be shared with the government.

Poland

Green Certificates

- In 2005, Poland introduced this support scheme, which is regulated by amendments to the 1997 Energy Law and later by the Renewable Energy Sources Act with a RES quota set for each year. These put in place a green certificate system, with obligations for companies selling electricity to end users to redeem an annually determined percentage of certificates.
- Certificates are issued to green electricity generators and can be sold by them. Support scheme covers the electricity produced for a period of 15 years from the first electricity generation. As of July 2016, no new units entered the scheme due to replacing it with CfD auction scheme.

Contract for Difference (CfD)

- In February 2015, Poland adopted the so-called "Renewable Energy Law". The law stablish a technology neutral auction system with a Contracts for Differences for projects divided into technological baskets above and below 1 MW This system has a maximum duration of 15 years and is indexed annually to the Polish CPI. There is a maximum offer price each year.

Germany

Sliding Market premium scheme

- Sliding market premium for 20 year based on a non-indexed applicable value according the Renewable Energy Act (EEG). The premium cannot become negative and is not paid while DAM prices are negative during a period that depends on the award date.

Merchant

- Participation in the electricity market and Guarantees of Origin

Content

All figures as of December 2024, except otherwise stated. Differences may arise due to rounding

Green Financing at the core

World private group leader in green bonds issued

Green Financing

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

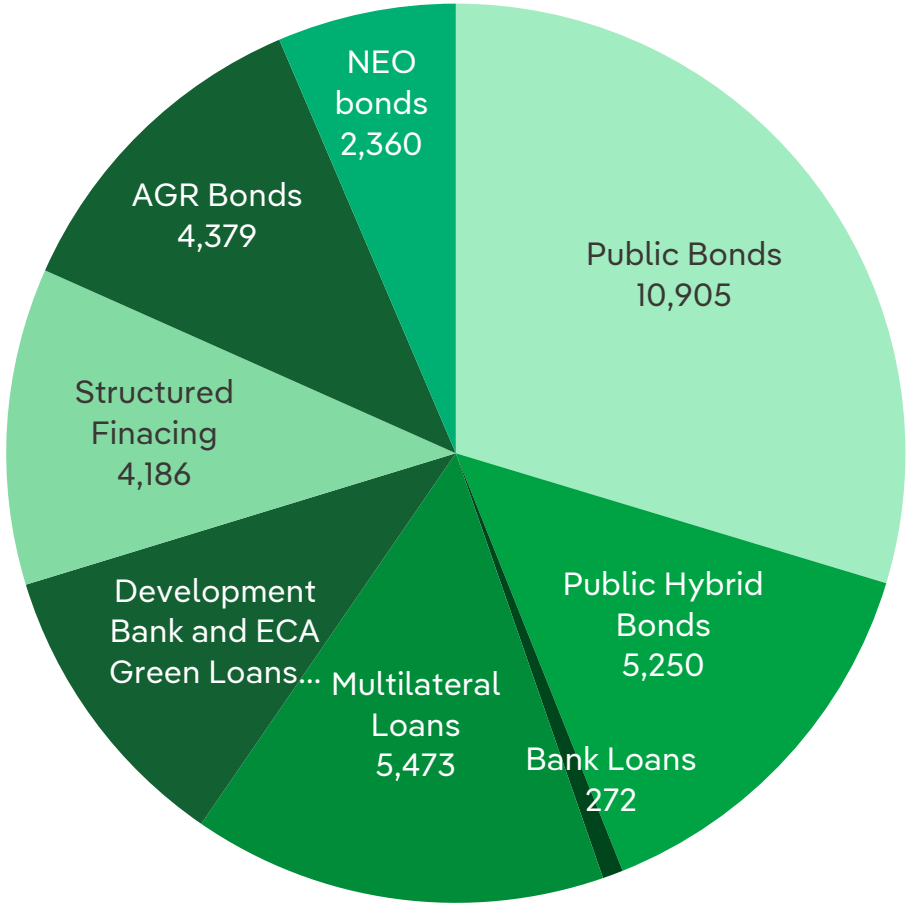
Asset base + energy transition = maximizing access to the green bond market

Note: utilities greenium compared to senior bonds / Based on market bank´s estimates

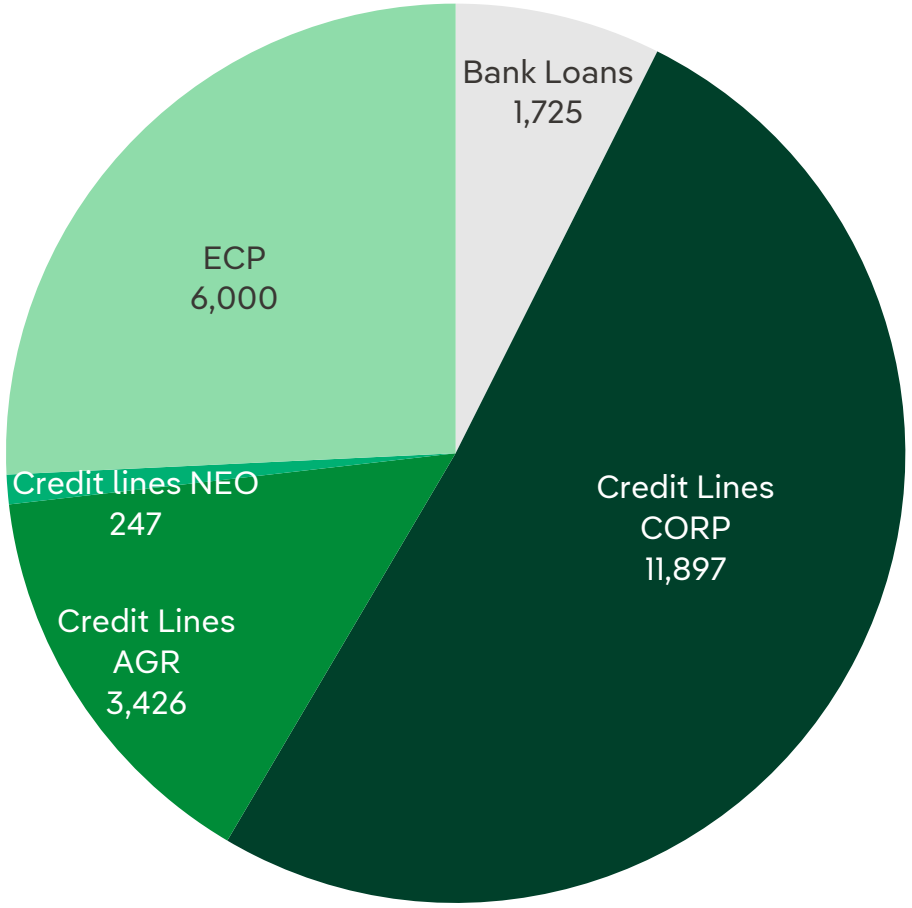
Green / Sustainable financing

Iberdrola is the world leading group in green bonds issued

GREEN FINANCING: EUR 36,758 M



SUSTAINABLE FINANCING : EUR 23,295 M

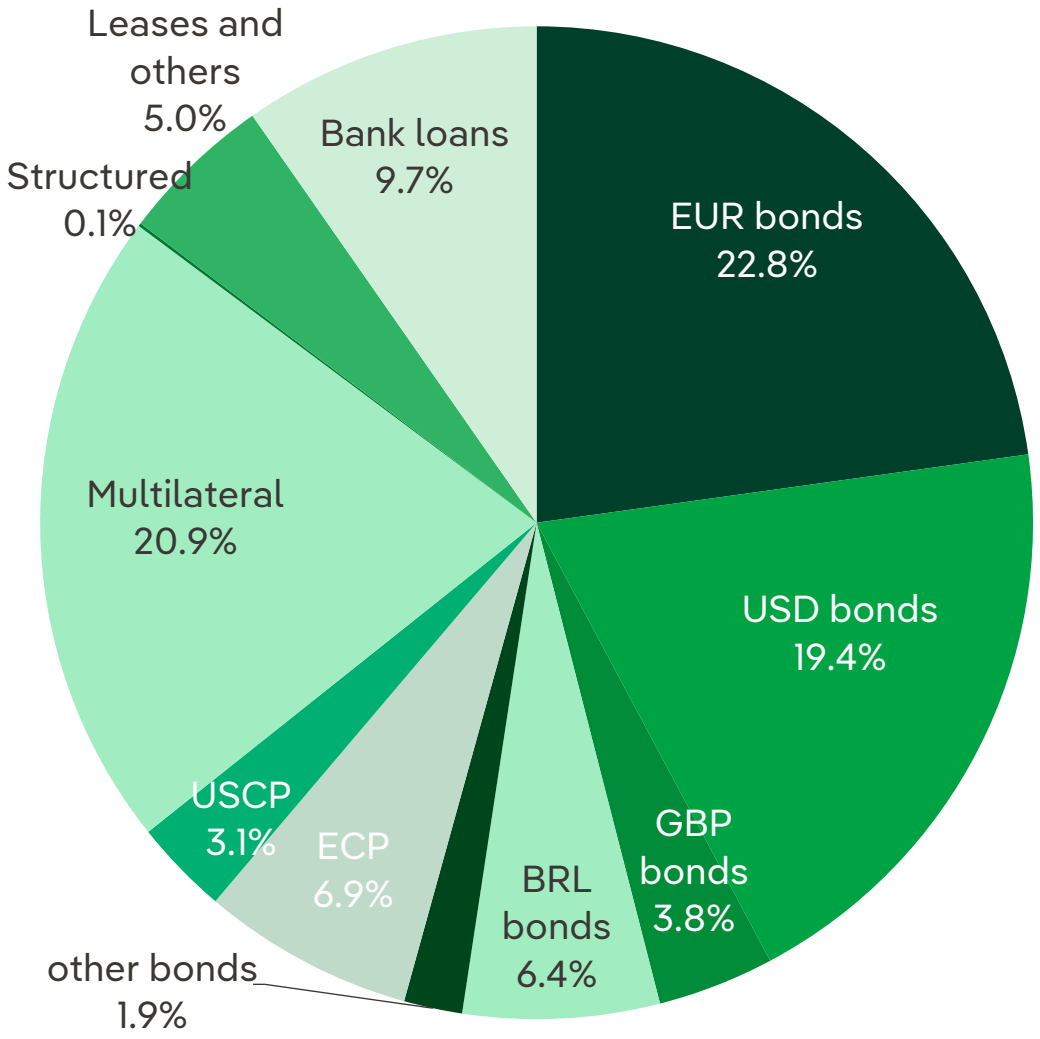


In 2024, Iberdrola signed 1.8 Bn EUR of new sustainable transactions and 7.8 Bn EUR of new green financing for a total of 60.1 Bn EUR in sustainable financing as of December 2024

Information related to Green Bonds: https://www.iberdrola.com/shareholders-investors/investors/fixed-income/information-related-to-green-finance

Financing markets diversification

Debt structure by market as of December 2024 (EUR 55.786 M)



Bond market

- Main source of LT financing
- Strong access to largest markets in the world
- Successful issuances in tailored markets (AUD, CHF, NOK, GBP) in better conditions than the EUR market

Multilateral lenders

- Long-term financing not subject to capital market volatility
- Solid links with traditional players (EIB, BNDES)
- Expanding relationship with new entities (IFC, ECAs).

Bank market

- Diversified, strong pool including main players, adding new banks in new geographies (Australia, Singapore)
- Low exposure in outstanding debt allows to increase bank risk in other instruments (credit, derivatives, letters of credit)
- Liquidity bank commitment ensuring future project finance

Hybrid market

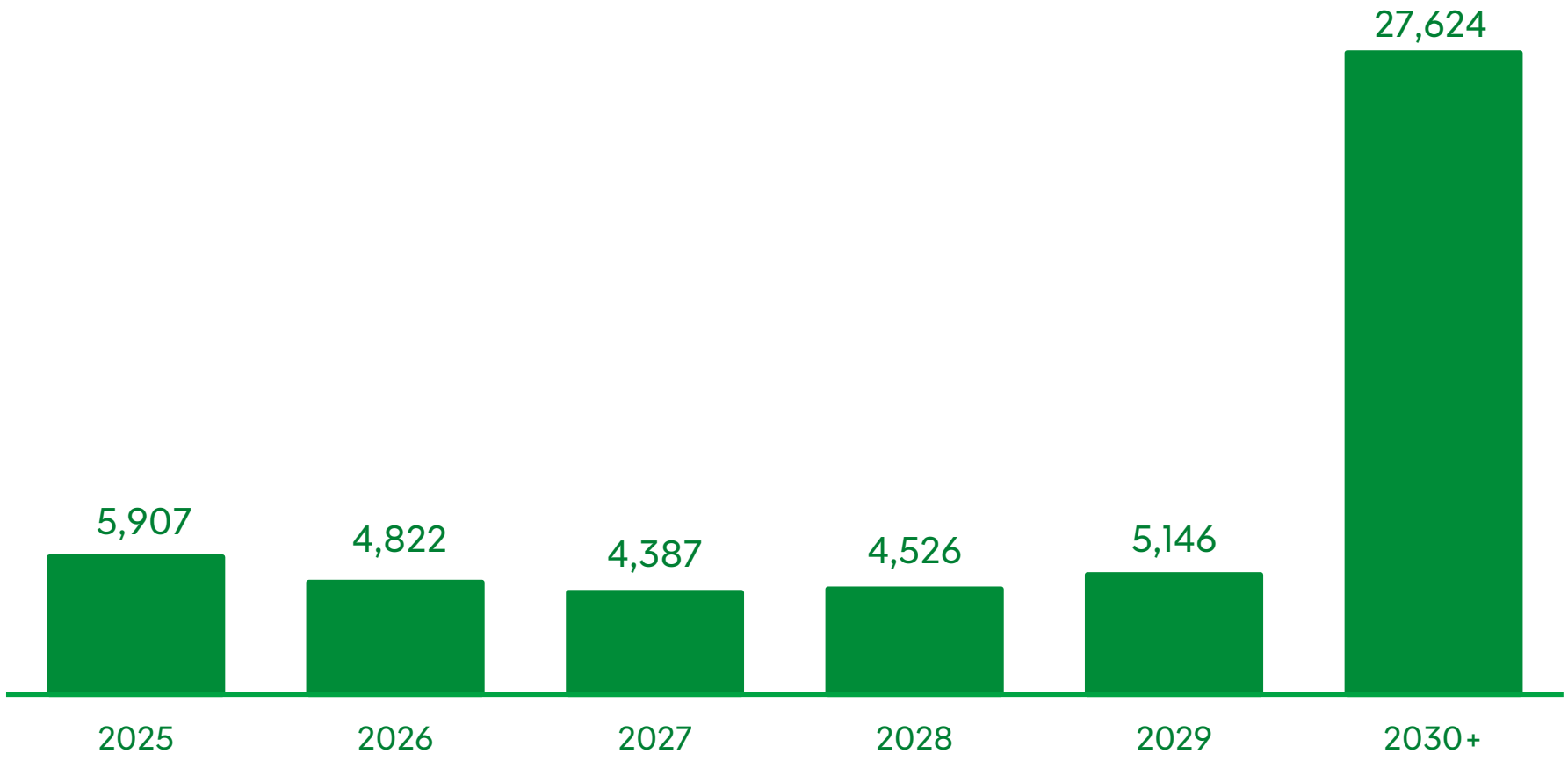
- Commitment with current stack
- Low outstanding balance allows share to increase during the plan if needed

Hybrids amount outstanding: 9.05 Bn Eur

Maturities

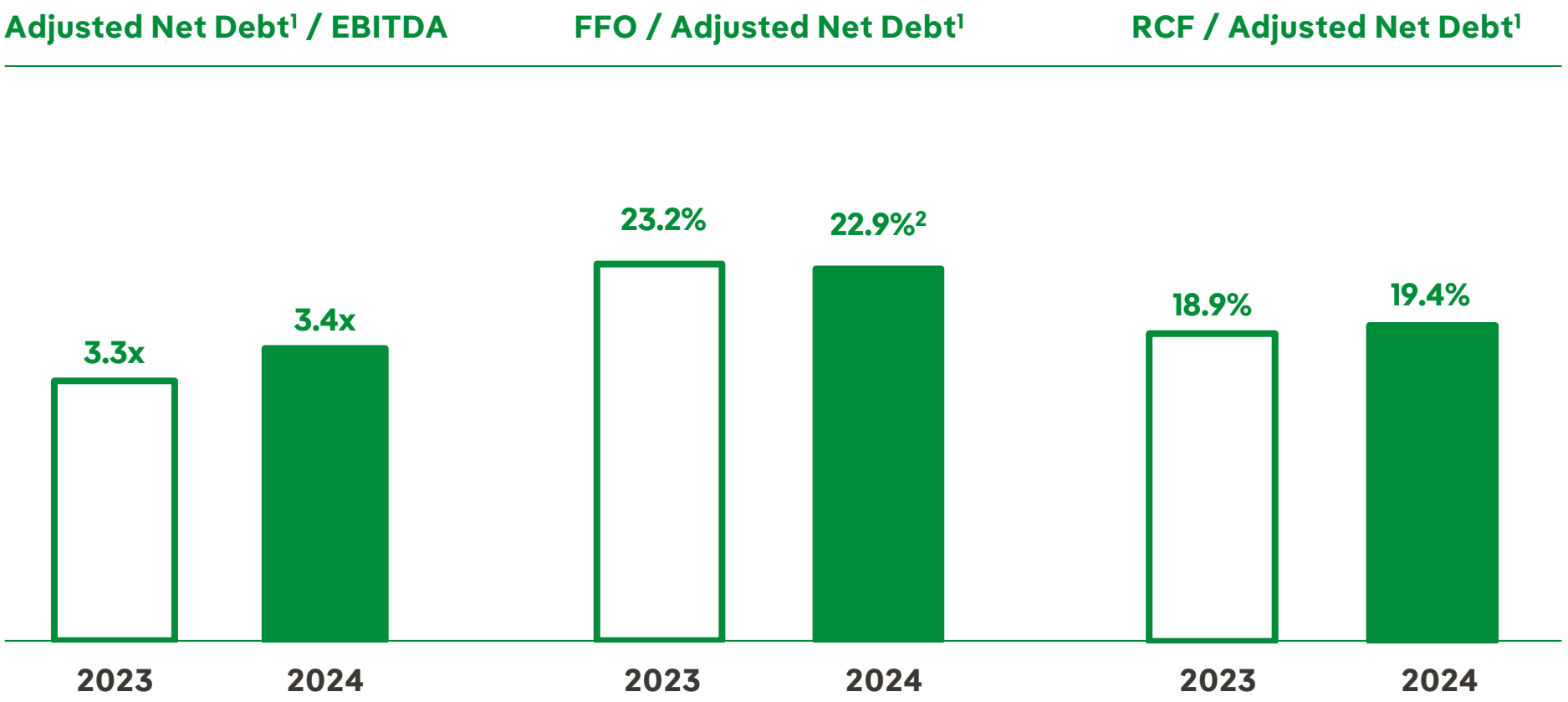
Maturity profile with an average debt life of 6 years

Maturity debt profile as of December 2024 (M EUR)



Credit Metrics

Strong credit metrics, with Adjusted net Leverage of 45.4% as of 2024 (from 44.2% in 2023)



Accounting solvency ratios aligned with rating agencies thresholds (BBB+/Baa1)

(1) Adjusted for treasury stock derivatives with physical settlement which at the current date are not expected to be executed (Eur 995 M as of 2024 and Eur 82 M as of 2023)

(2) Excluding corporate transactions not included in 2024 Budget, this ratio would increase to 25.3%.

Credit Ratings

	S&P Global		Moody's		FitchRatings	
	Date		Date		Date	
	Rating	Outlook	Rating	Outlook	Rating	Outlook
Iberdrola	January 2025		April 2024		June 2024	
	BBB+	Stable	Baa1	Stable	BBB+	Stable
Avangrid	December 2023		March 2024		September 2024	
	BBB+	Stable	Baa2	Stable	BBB+	Stable
ScottishPower	April 2024		April 2024		June 2024	
	BBB+	Stable	Baa1	Stable	BBB+	Stable
Neoenergia	March 2024					
	BB	Stable				

Note: ratings as of last available report

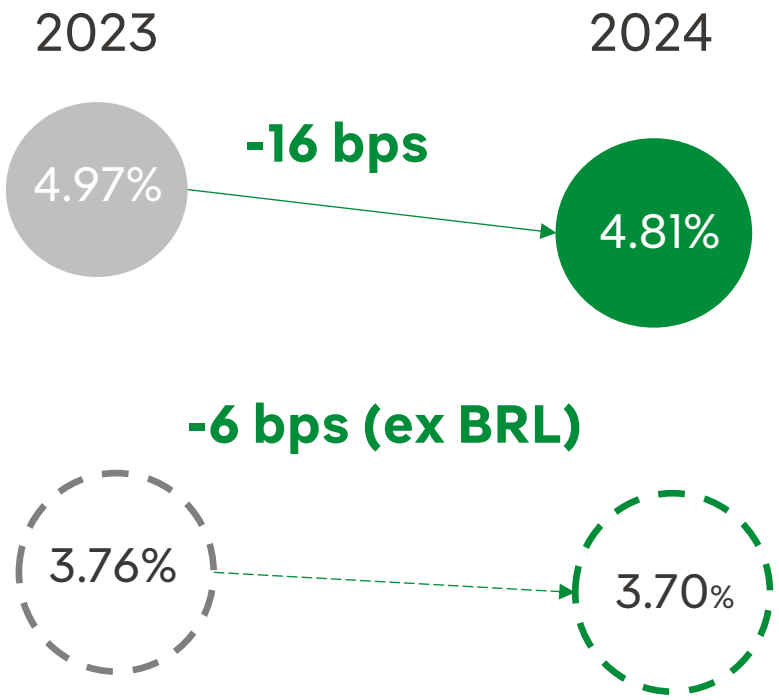
Cost of Debt

Total cost of debt (4.81%) lower than 2023, mainly due to improving financing rates in all geographies except for the Eurozone.

Gross debt financial cost by currencies (%)

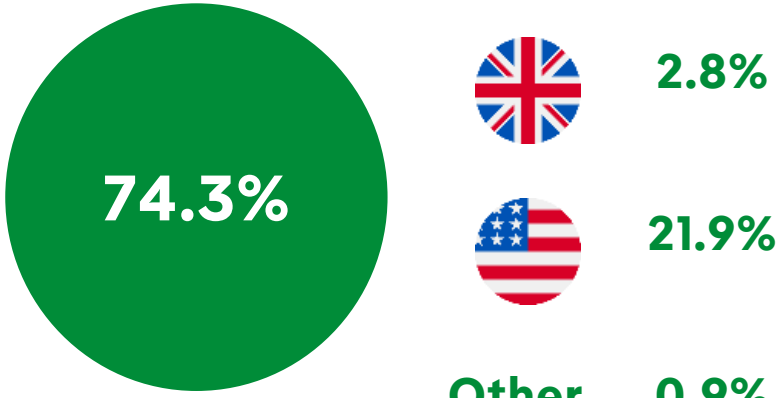
	2023	2024
€	2.7%	2.9%
$	4.8%	4.6%
£	4.5%	3.8%
R$	11.4%	10.9%

Cost of Debt (%)



Structural Subordination

Our model is based on financing the Group needs from the Holding



Subordination ratio below 30% in 2024 in line with financial policy and historical levels ✓

Direct access to cash flows from unlevered and fully owned subsidiaries (large part of Group's EBITDA ~ 2/3rds) ✓

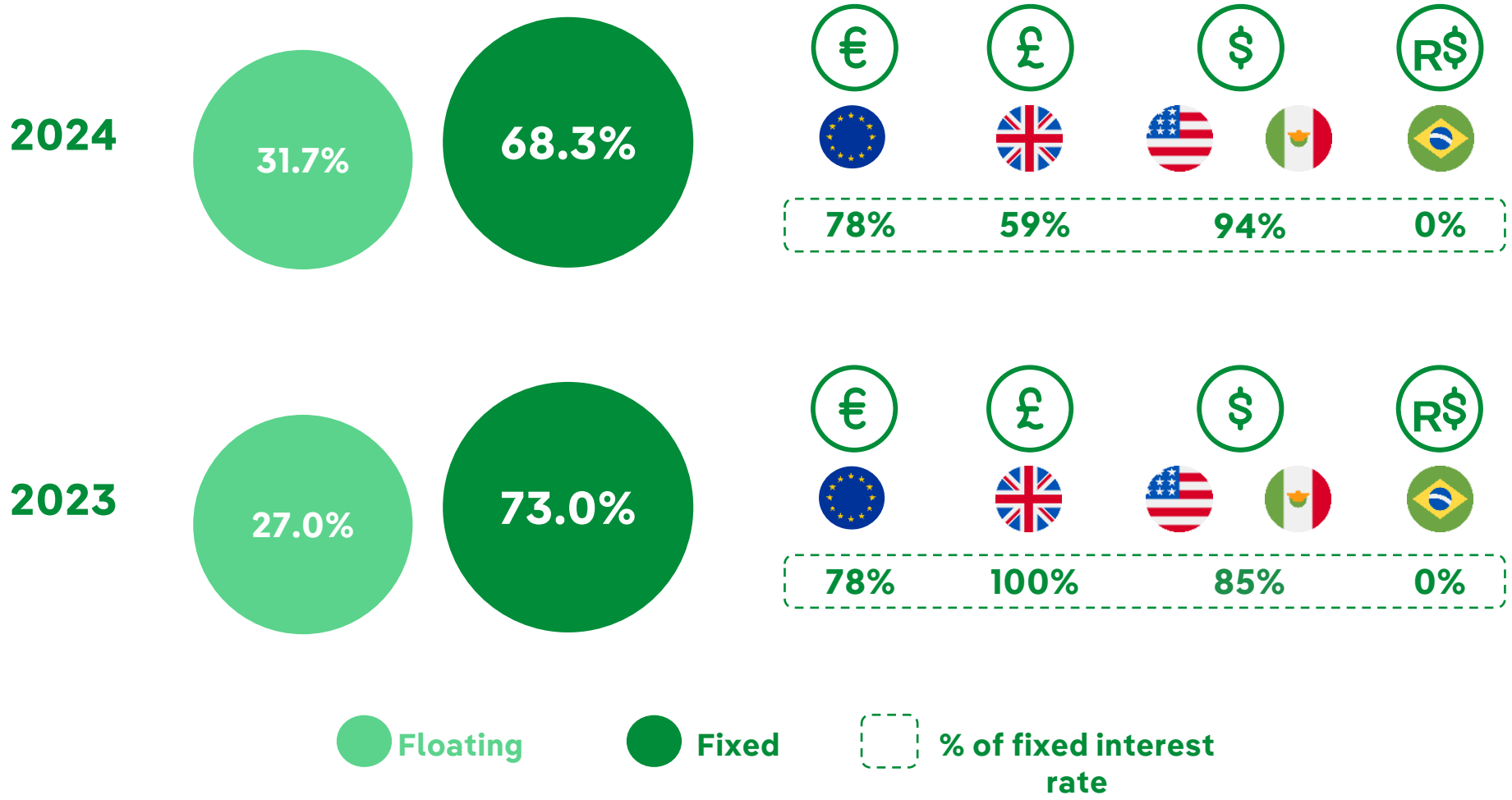
High visibility of centralized cash flows (regulated and long term contracted) ✓

Centralized treasury and very strong liquidity at Holding ✓

(1) Including 50% of hybrids and excluding Neoenergia

Interest rate risk management

Conservative while active management of interest rate risk aligned with our earnings structure.



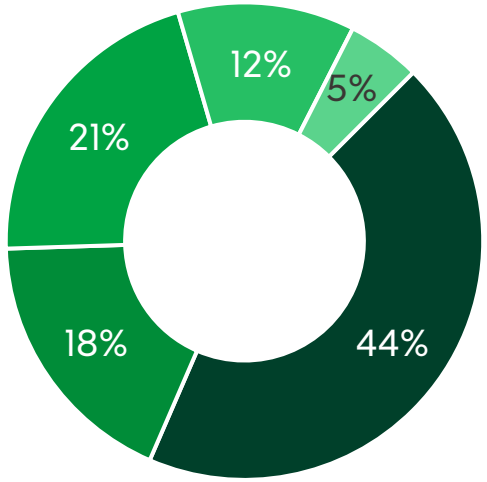
FX risk management: structural

Structural Fx hedge as a result of having debt in the same currency and similar % as the funds from operations

Minimize FFO/Net Debt Ratio volatility

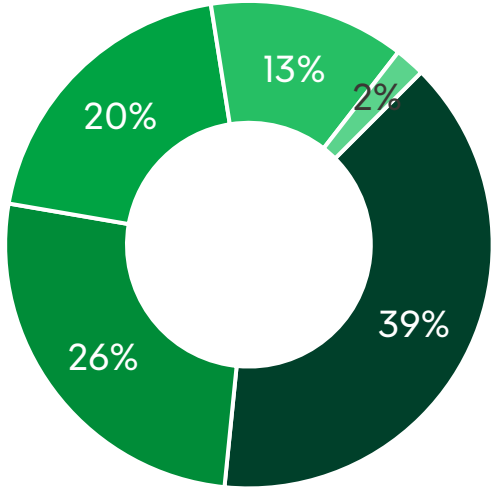
December 2024

FFO by currencies



EUR USD GBP BRL Other

Debt by currencies



EUR USD GBP BRL Other

… protecting the solvency and rating

FX risk management: annually

FX risk in the Profit & Loss account is hedged through derivatives

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 huge P&L volatility

Debt reconciliation

Note 22 of Iberdrola Consolidated Annual Report 2024

Thousand euros	31/12/2024	31/12/2023
Bank borrowings, bonds and other marketable securities (Note 29)	54,390	48,278
CSA derivatives security deposits (Note 33)	100	76
Derivative liability instruments	707	1,034
Leases	2,799	2,592
Gross financial Debt	**57,996**	**51,980**
Derivatives of treasury stock with physical settlement that at this date are not expected to be executed	995	82
Adjusted gross financial debt	**57,001**	**51,898**
Non-current financial deposits (Note 15.b)	111	128
Derivative asset instruments	1,026	804
CSA derivatives security deposits (Note 15.b)	95	101
Current financial investments (between 3 and 12 months) (Note 15.b)	15	14
Cash and cash equivalents (Note 21)	4,082	3,019
Total treasury assets	***5,329***	***4,066***
Adjusted net financial debt	**51,672**	**47,832**

9.05 Bn Eur of Hybrids[1] not included in net debt calculations as they are accounted as equity

Note: difference between debt figure in slide 150 and gross financial debt in this slide refers to the inclusion of derivative instruments and accrued interest payable

(1) Outstanding figure as of Dec-24

Iberdrola Consolidated Annual Financial Report 2024:

https://www.iberdrola.com/documents/20125/4778712/gsm25-annual-accounts-consolidated-2024.pdf

SFDR. Principal Adverse Impacts on sustainability factors

CLIMATE AND OTHER ENVIRONMENT-RELATED INDICATORS					
Greenhouse gas emissions	1.	GHG emissions	Scope 1 GHG emissions	8,913,440	t CO_2 eq
			Scope 2 GHG emissions (market- based)	2,437,919	t CO_2 eq
			Scope 2 GHG emissions (location- based)	2,468,917	t CO_2 eq
			Scope 3 GHG emissions	31,460,578	t CO_2 eq
			Total GHG emissions (Scope $1+2_{(market\text{-}based)}+3$)	42,811,937	t CO_2 eq
			Total GHG emissions (Scope $1+2_{(location\text{-}based)}+3$)	42,842,935	t CO_2 eq
	2.	Carbon footprint	Carbon footprint (market-based)	42,811,937	t CO_2 eq
			Carbon footprint (location-based)	42,842,935	t CO_2 eq
	3.	GHG intensity of investee companies	GHG intensity of investee companies	958	t CO_2 eq / M EUR
	4.	Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector	89% 15% 0%	Capex Aligned with EU taxonomy Gas Revenues Coal / Oil Revenues
	5.	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources	99.7 %	Non-Renewable energy consumption
				37.1%	Non-Renewable energy production
	6.	Energy consumption intensity per high impact climate sector	Energy consumption in GWh per M EUR of revenue of investee companies, per high impact climate sector	3.17	GWh / M EUR
Biodiversity	7.	Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas and there is not implemented any impact assessments or mitigation measure	This information is detailed in the Consolidated Non-Financial Information Statement (NFIS) and Sustainability Report 2024 (pages 136 - 142)	
Water	8.	Emissions to water	Tonnes of emissions to water generated by investee companies per M EUR invested, expressed as a weighted average	This information is detailed in the Consolidated Non-Financial Information Statement (NFIS) and Sustainability Report 2024 (pages 122 - 129)	
Waste	9.	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per M EUR invested, expressed as a weighted average	32,556	t of hazardous waste
				406	m^3 of Radioactive waste (medium and low activity)

SFDR. Principal Adverse Impacts on sustainability factors

INDICATORS FOR SOCIAL AND EMPLOYEE, RESPECT FOR HUMAN RIGHTS, ANTI-CORRUPTION AND ANTI-BRIBERY MATTERS					
Social and employee matters	10.	Violations of UN Global Compact principles and Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	This information is included in the Consolidated Non-Financial Information Statement (NFIS) and the Sustainability Reporting 2024 (Pages 294-299) which details Iberdrola's commitment as member of Global Compact (UN)	
	11.	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises	No	Policy on Respect for Human Rights (iberdrola.com)
	12.	Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	-2.8	%
	13.	Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	43	%
	14.	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	No	

ESMA. Guidelines on funds' names using Sustainability-related terms

Fund names including terms related to **Transition/Social/Governance...**

Exclusion criteria	Iberdrola
Companies involved in activities related to **controversial weapons**	Not involved
Companies involved in the cultivation and production of **tobacco**	Not involved
Companies **violating the principles of the United Nations** Global Pact **or** the Organisation for Economic Co-operation and Development (**OECD**) Guidelines for Multinational Enterprises (MNEs)	Not involved

Fund names including terms related to **Sustainability/Impact/Environment...**

Exclusion criteria	Iberdrola
All criteria described for "Transition/Social/Governance" plus...	Not involved
Companies deriving 1% or more of their revenues from the exploration, mining, extraction, distribution or refining of **hard coal and lignite**	0%
Companies deriving 10% or more of their revenues from the exploration, extraction, distribution or refining of **petroleum-derived fuels**	0%
Companies deriving 50% or more of their revenues from exploration, extraction, manufacture or distribution of **gaseous fuels**	3.2%(1)
Companies deriving 50% or more of their revenues from **generation of electricity with a GHG (Greenhouse gases) intensity greater than 100 gCO_2e/kWh**	5.7%

(1) Excluding Retail business, if the percentage is included the total number is 9.5%.

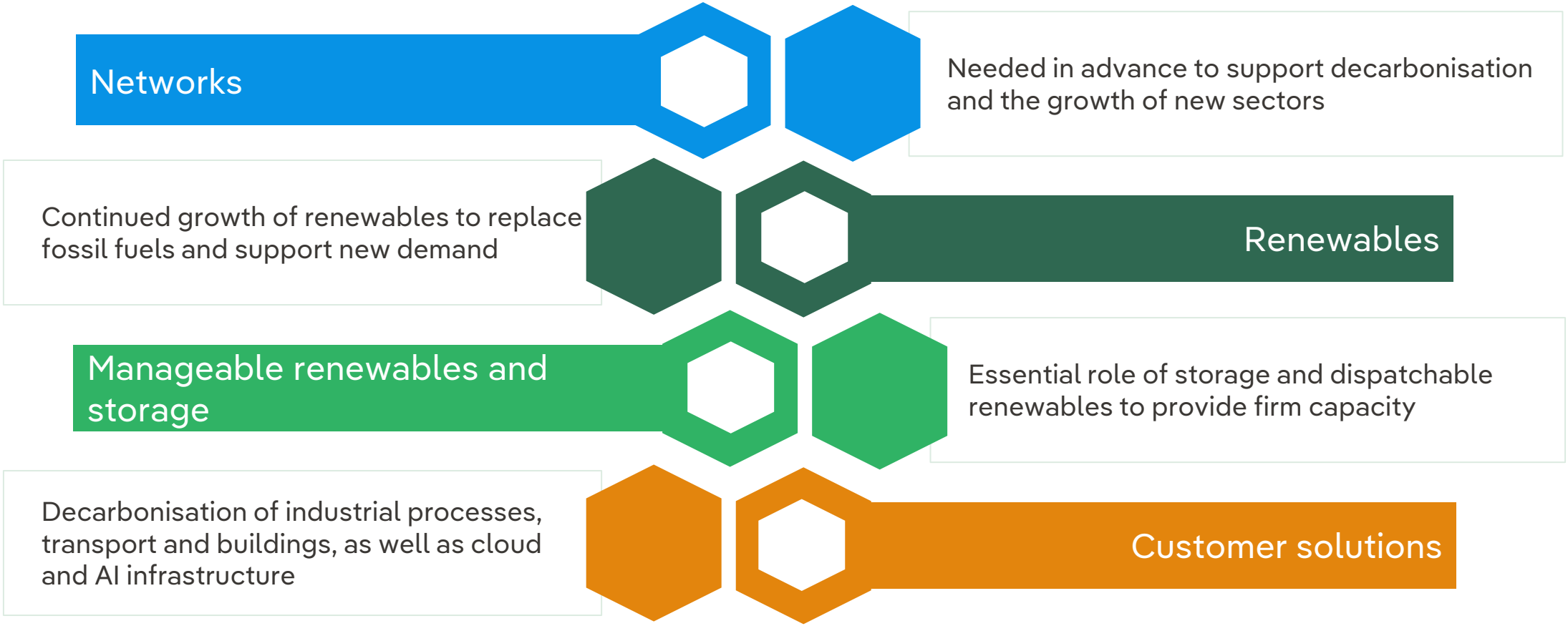
Iberdrola is not impacted by any of the exclusion criteria; therefore, it qualifies as investible by any sustainable fund.

Content

All figures as of December 2024, except otherwise stated. Differences may arise due to rounding

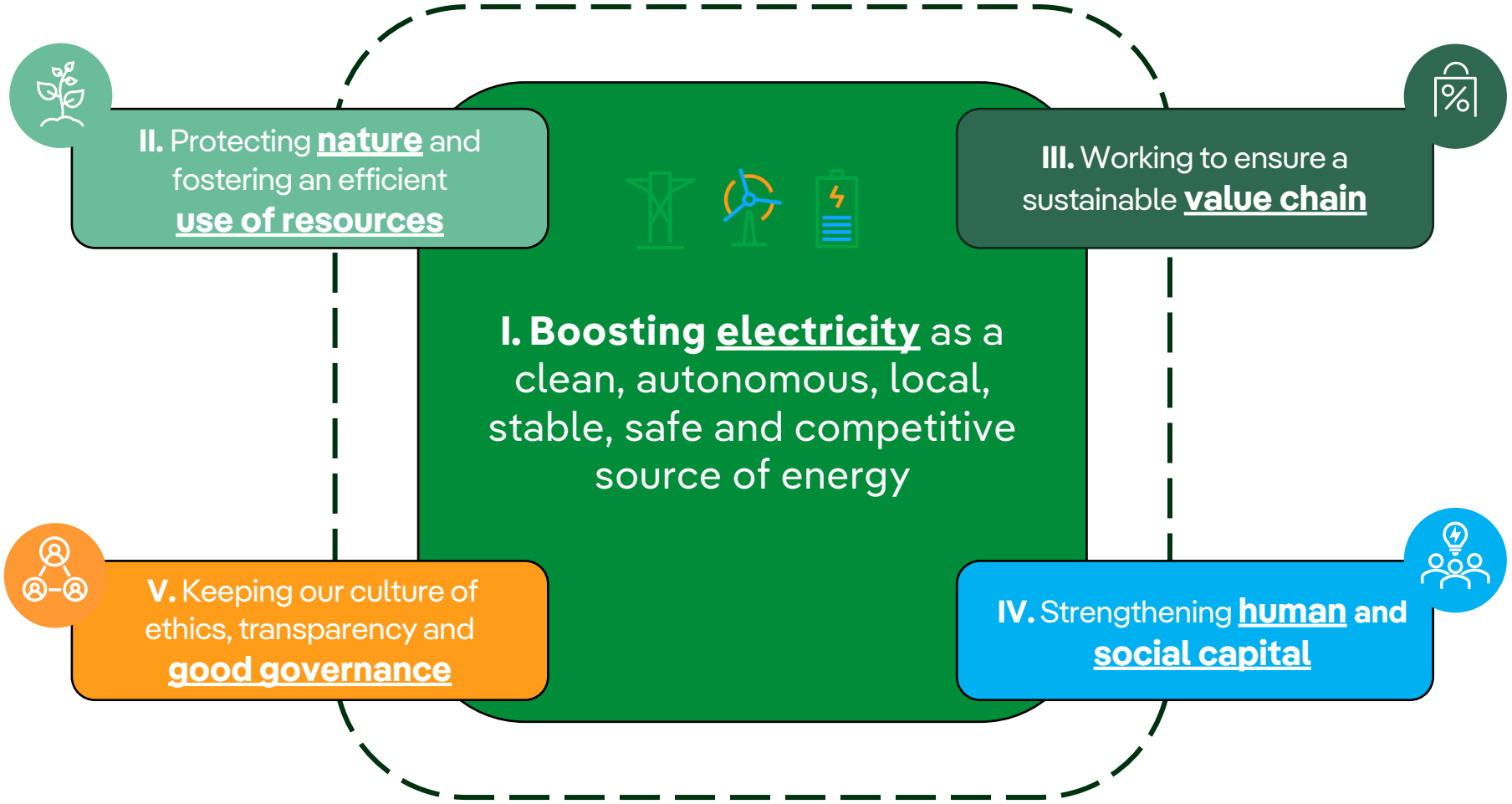
Sustainability in the 2024-2026 investment plan

Iberdrola will invest 41 Bn EUR by 2026 to accelerate electrification...



...with no capex allocated to new unabated carbon-intensive assets

Five Pillars: reaffirming our roadmap in sustainability



Consolidated Non-Financial Information Statement (NFIS) and the Sustainability Reporting: https://www.iberdrola.com/documents/20125/42388/IB_Sustainability_Report.pdf

Pillar I. Boosting electricity as a clean, autonomous, local, stable, safe and competitive source of energy (1 of 2)

GREEN ELECTRIFICATION

	2024	2025	2026	2030
Carbon Neutral in electricity generation in 2030 Specific emissions (global mix) (gCO_2 / kWh)	65	60	55	Carbon Neutral[1]
Net Zero in scopes 1, 2 and 3 before **2040**	In progress			Comply with SBTi milestone[2]
NOx emissions kg / MWh	0.157	0.17	0.15	< 0.10
Storage Capacity Cumulative installed storage capacity (GWh)	108.2	108	118	136

(1) <10 gCO_2/kWh
(2) Interim target certified by SBTi (Science-based targets initiative).

Pillar I. Boosting electricity as a clean, autonomous, local, stable, safe and competitive source of energy (2 of 2)

INNOVATION AND DIGITALISATION

	2024	2025	2026	2030
Smart Grids % automation of high and medium voltage assets	81.4 %	83%	85%	90%
Investment in R&D M EUR (annual)	402.5	420	443	550
Cybersecurity assessments Number of annual assessments or external verifications	3,224	2,000	2,000	2,000

SUSTAINABLE FINANCE

	2024	2025	2026	2030
CAPEX Aligned % of Taxonomy aligned CapEx [1]	89%	~90%	~90%	~90%
Sustainable Financing % of total financing	94%	Min. 80%(2)	Min. 80%(3)	-

(1) Organic CapEx; according to European Taxonomy Regulation
(2) Average sustainable financing for 2023-25 period.
(3) Average sustainable financing for 2024-26 period.

Pillar II. Protecting nature and fostering an efficient use of resources

EFFICIENT USE OF RESOURCES

	2024	2025	2026	2030
Specific water consumption reduction % Reduction of water consumption intensity [1]	-12.5%	-32%	-36%	-63%
Blade and Solar Panel Recycling % of blades and panels recycled of total blades and panels dismantled [2]	98.4%	50%	50%	100%

BIODIVERSITY PRESERVATION

	2024	2025	2026	2030
Conservation, restoration and plantation of trees Number of trees (million) and No Net Deforestation in 2025	5	8	10	20
Net positive impact in 2030 % assets with biodiversity assessment and neutrality plan	11%	20%	25%	100% (Net positive)

(1) Calculated against the base year 2021
(2) Includes blades and panels out of operation with a destination decision different from disposal

Pillar III. Working to ensure a sustainable value chain

SUSTAINABLE SUPPLY CHAIN

	2024	2025	2026	2030
Purchases from sustainable suppliers % of total purchases	93%	≥ 85%	≥ 85%	≥ 85%
Percentage of sustainable suppliers % of main suppliers subject to sustainable development policies and standards	88%	> 85%	> 85%	> 85%

CUSTOMERS

	2024	2025	2026	2030
Quality of supply Reduce the Global SAIDI [1]	-12.3%	-10%	-11%	-16%
Smart Solutions portfolio Millions solutions	16	18	19	21
Customer Accessibility Solutions [2] Number of solutions	50	62	63	63
Digital Customers % of total commercial customers	72%	75%	76%	80%

(1) Calculated against the 2019-21 period average
(2) Including Neoenergia solutions from 2023 onwards.

Pillar IV. Strengthening human and social capital (1 of 2)

EQUAL OPPORTUNITIES

	2024	2025	2026	2030
External EDGE plus certification [1] Attainment	In progress	In progress	√	√

HEALTH AND SAFETY

	2024	2025	2026	2030
Wellness Plan Global deployment	Implemented	In progress	Certification	-
Occupational safety TRIR (reduction) [2]	-19%	-10%	-13%	-21%

EMPLOYEE SKILLS IMPROVEMENT

	2024	2025	2026	2030
Green skilling Program deployment	√	√	√	-
Training in cybersecurity and protection of information Annual hours of training completed	96,417	63,000	64,480	68,000

(1) EDGE Plus equal opportunities certification by 2026
(2) Calculated against the base year 2021

Pillar IV. Strengthening human and social capital (2 of 2)

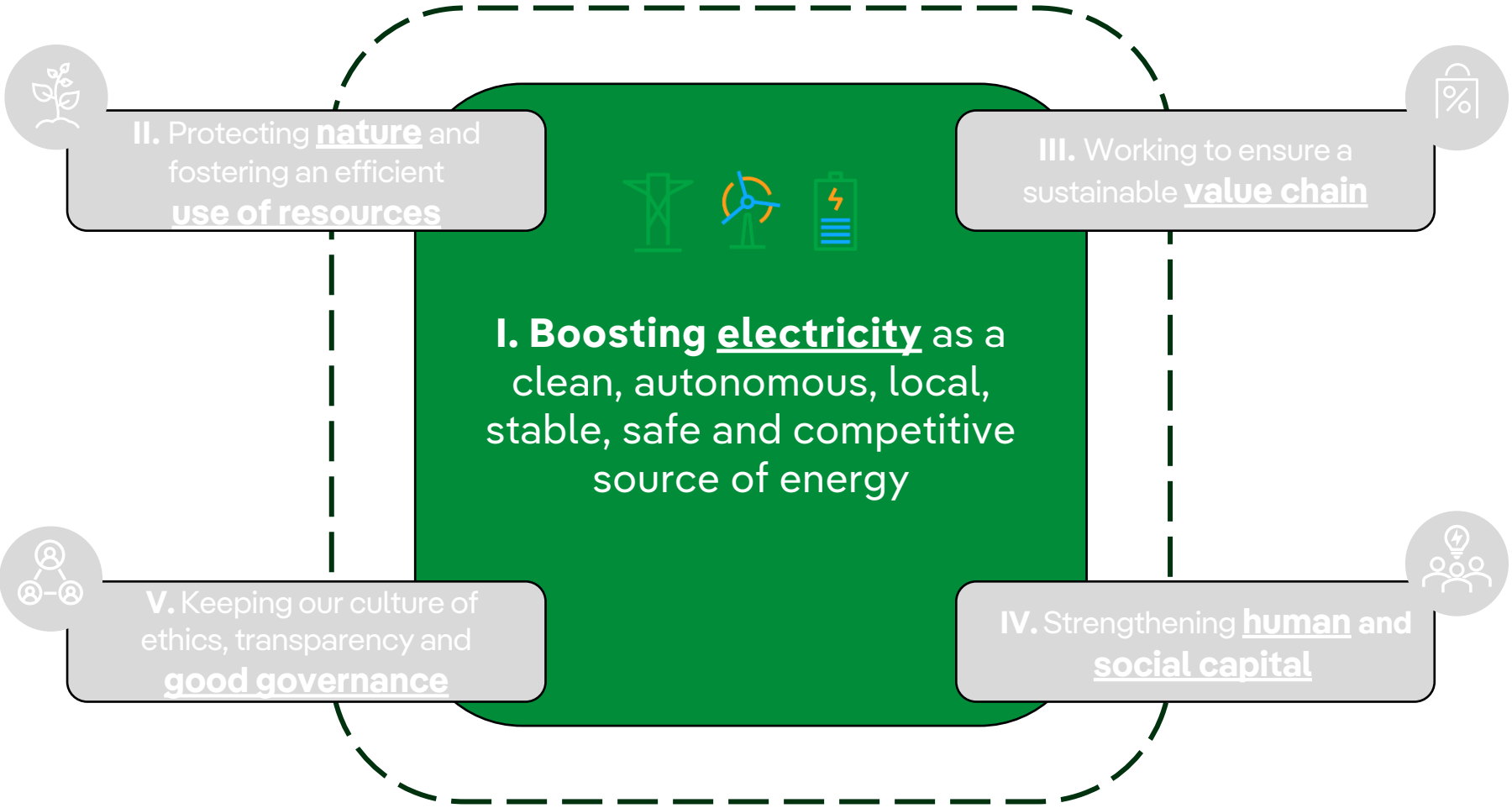
COMMUNITY DEVELOPMENT

	2024	2025	2026	2030
Beneficiaries of the "Electricity for all" program Millions of beneficiaries (cumulative)	13.8	14	15	16
Beneficiaries of the Foundations Programs Millions of annual beneficiaries	6.1	8	8	10
Corporate volunteering Number of annual volunteers (thousands of employees and companions)	22.8	19	19.5	23

Pillar V. Keeping our culture of ethics, transparency and good governance

		2024	2025	2026	2030
CORPORATE GOVERNANCE	**Corporate Governance** Maintain best practices	√	√	√	√
COMPOSITION OF THE BOARD OF DIRECTORS	**Percentage of independent directors** Over 50%	√	√	√	√
	Varied composition of the Board of Directors Promote	√	√	√	√
COMPLIANCE	**Compliance System** Obtain / Maintain (yearly)	√	√	√	√
HUMAN RIGTHS	**Human Rights Due Diligence** Continuous revision of the DD System	√	√	√	√
STAKEHOLDER ENGAGEMENT	**Stakeholder Engagement Model** % of facilities with the model implemented	80.1%	70%	75%	90%

Our roadmap in sustainability: Pillar I



- Green electrification
- Innovation and digitalization
- Sustainable finance

Climate Action Plan: Key Elements

2030 → **<2040**

Neutrality in emissions for scopes 1 & 2

Direct emissions (own generation and others) and indirect emissions from electricity T&D losses and own consumption

Net Zero emissions for all scopes, including 3

Scopes 1, 2 and 3 (other indirect emissions over which the group does not have direct control or influence)

Drivers

- **100% Renewables**
- **100% Intelligent networks**
- **Green Procurement**
- **Green solutions for customers**
- **Alliances for green and decarbonized technologies**

Values

- **Positive for society**
- **Positive for nature**

4.7 Bn EUR invested during 2024 in **renewables**

6.3 Bn EUR of organic investment in 2024 in **smart grids**

~5 Bn EUR of inorganic growth in **networks** in **UK & USA**

Alliances to promote **decarbonization**: Q-Cero, Net Zero...

Customer solutions as heat pumps, green hydrogen... technologies

Iberdrola's ambitious approach to the global climate agenda

Iberdrola embraces an ambitious and robust approach to **climate advocacy**

Active engagement within the most **relevant and ambitious** organizations

Leadership and active involvement in the main milestones of the **global climate agenda** (COPs, New York Climate week...)

Special implication and support to those **organisations with greater leadership** and relevance

Fostering connections among different actors to build **alliances** and collaboration platforms

Strong and dense **network of alliances and collaborations** with key actors in the global climate agenda

- Support to political milestones on the NDC's review process in the context of G20 summit, UNGA, Climate Conferences,...
- Support to Global Stocktake decisions' implementation (x3 RES,...)
- Support to COP 29 Presidency pledges (x6 networks...)
- Support a central role of the electricity sector within the EU Clean Industrial Deal...

Specific **alliances to promote decarbonization**

Alianza Q-Cero: to decarbonise thermal energy demand in Spain. *Launched in 2024*.

Alianza NET ZERO Mar: to accelerate the electrification of the maritime-port sector.

pirVEp: Platform for Heavy Vehicle Charging Infrastructure.

Increasing production from renewables sources

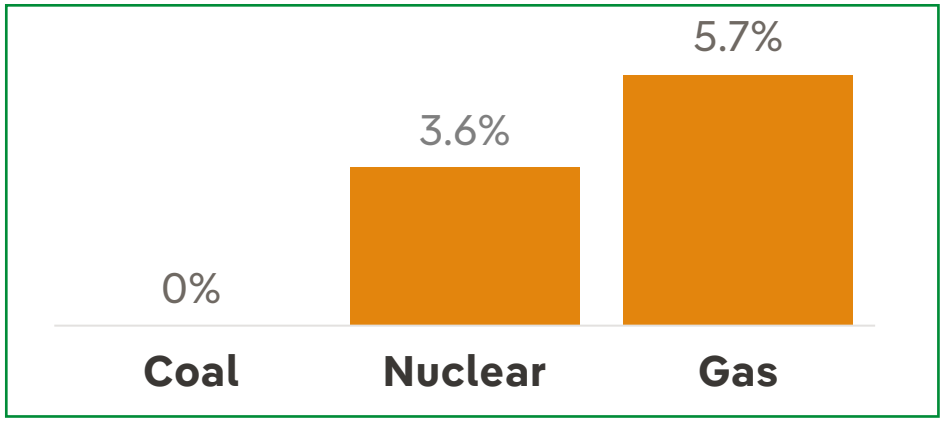
2024 emission-free installed capacity (%)

84%

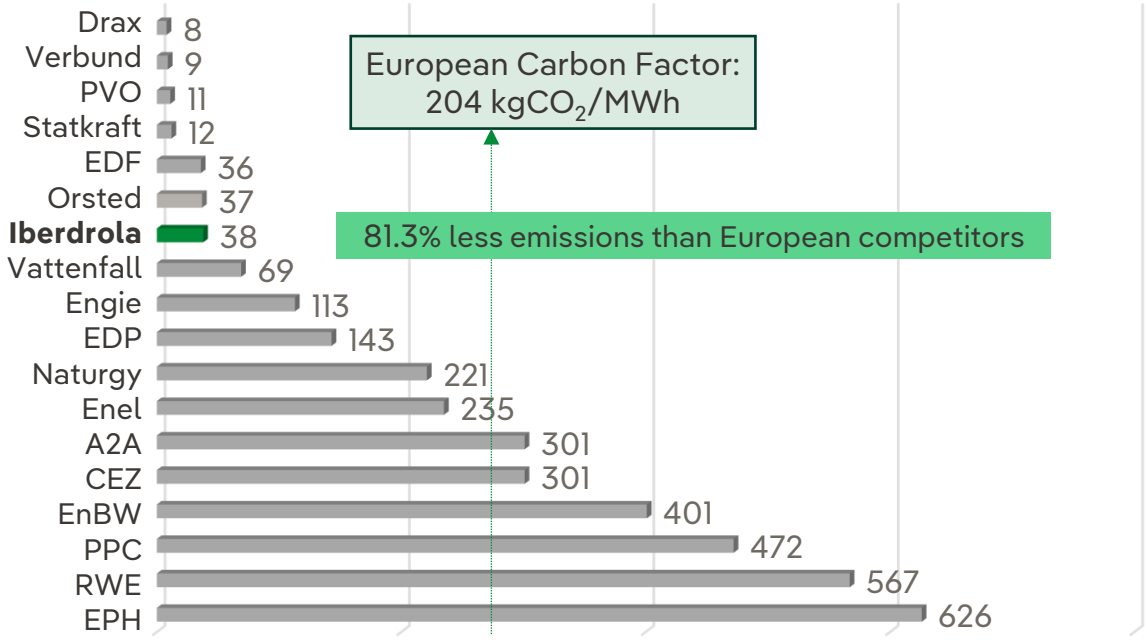
2024 emission-free production (%)

84%

2024 Generation Revenues
Coal, Nuclear & Gas / Total Revenues (%)



Specific CO_2 emissions from facilities in Europe(1)



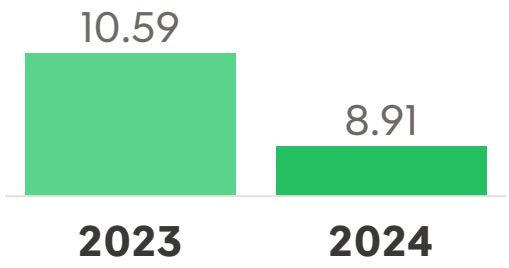
(1) The figure of 38 g of CO_2 in this graph refers to the emissions generated by Iberdrola's facilities in Europe in 2024. Both the European average carbon factor and the data from the rest of the companies are based on Climate Change and Electricity: European carbon factor. PwC France. Dec. 2024 and, in the case of companies, they only include the European space for the year 2023.

Iberdrola is the world's largest electricity company without coal-fired production and its **CO_2 emissions are at 38 g/kWh in Europe**, 81.3% lower than its European competitors.

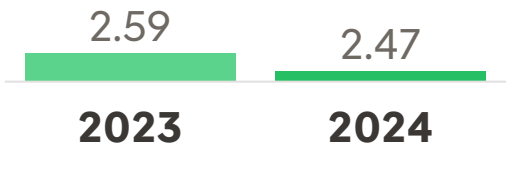
Absolute and specific emissions

Absolute emissions

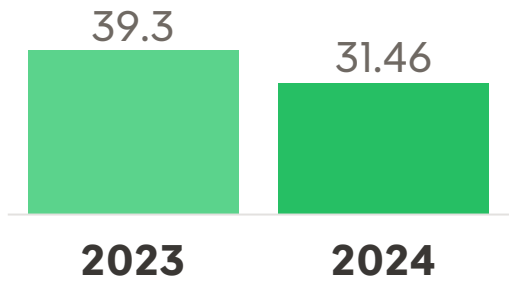
Scope 1:
Direct emissions (Mt)



Scope 2:
Indirect emissions (Mt)



Scope 3:
Other Indirect emissions (Mt)

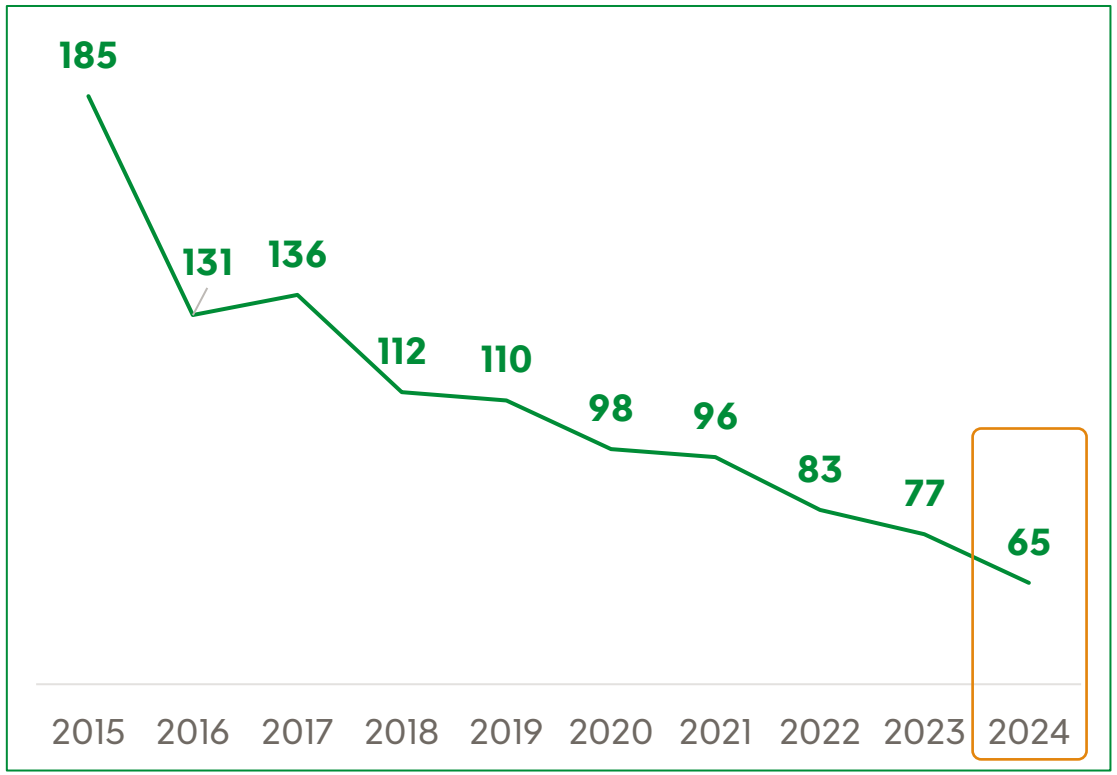


SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

100%
Emissions covered with absolute emissions reduction SBTi targets

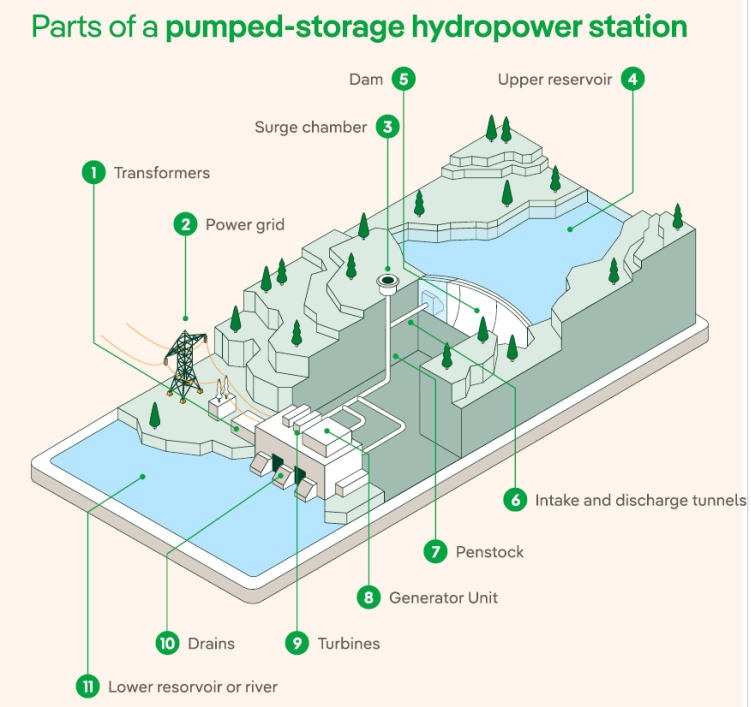
Emissions Intensity

Group emissions intensity at **global level** (gCO_2/kWh)



GHG inventory: https://www.iberdrola.com/documents/20125/41101/ghg-report-2024.pdf

Storage capacity



Pumped-storage hydropower key in energy transition

- **Price Moderation:** Produces energy when the system needs it most.
- **Efficient Storage:** Stores large amounts of energy efficiently.
- **System Stability:** Enhances electricity system stability with flexible demand response.
- **Zero emissions:** emission free electricity that replaces fossil generation.
- **Renewable Support:** Supports other renewables like wind and solar.
- **Limited exposure of Climate Risk:** Less affected by climate changes.
- **Efficient Water Use:** Maximizes water resource utilization.
- **Minimal Environmental Impact:** when is developed based in already existing facilities.

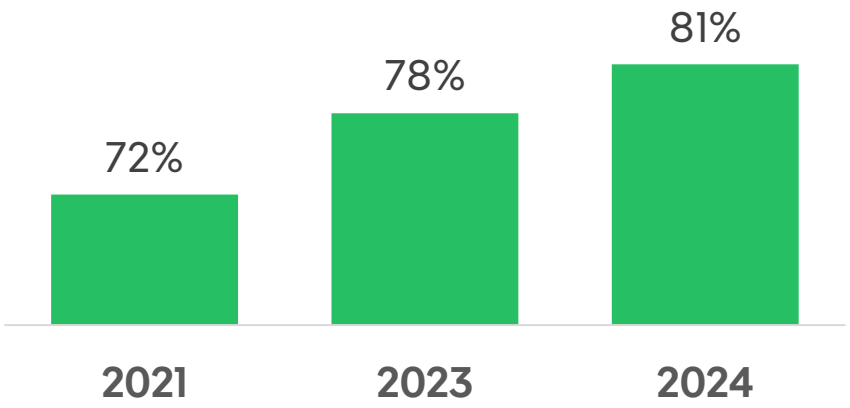
Different forms of Energy storage

Pumping	4.2 GW. Evaluation and development of opportunities in existing sites
Lithium Batteries	24 projects in operation and big pipeline in different geographies
New long-duration technologies	Analysis of technologies and project evaluation (flow batteries, LAES, CAES...)

Smart Grids

Driving the development of smart grids through **digitalization**

Digitalized Assets



~17M Smart meters instaled in 2024

Electricity Supplied via Smart Grids: Spain: **~100%**, USA: **71.8%**, UK: **66.2%**

Digitalization of Grids allows:

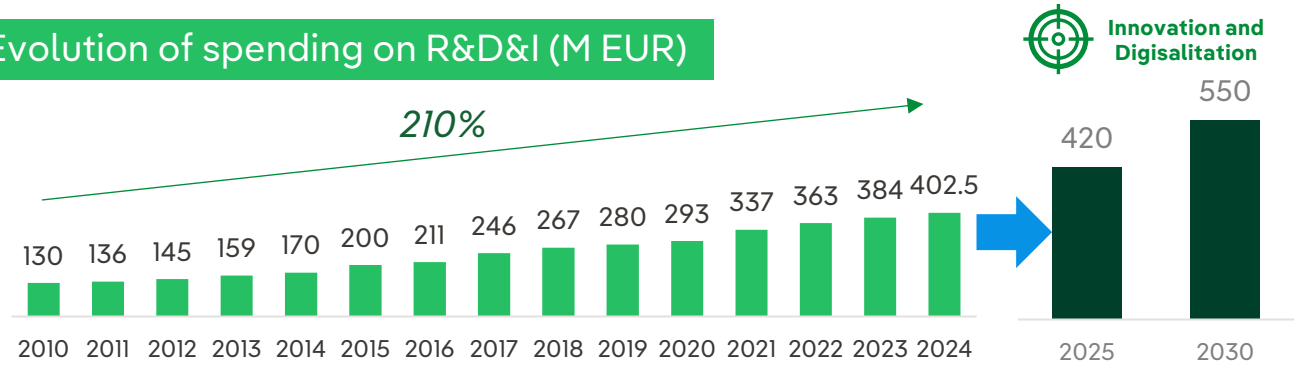
- **Integration of Renewables:** Enables new renewable energy sources to be incorporated into the electricity system.
- **Increased Demand Support:** Meets the growing demand from electric vehicles, heat pumps, and data centers.
- **Enhanced Resilience:** Improves system resilience, aiding in supply replenishment and mitigating physical impacts from climate change.

The group operates nearly **1.3 million kilometres** of electricity transmission and distribution lines

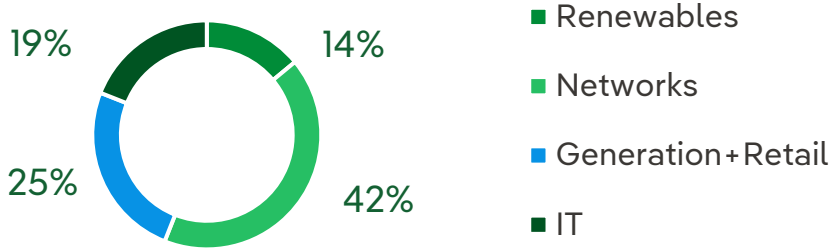
R&D – Innovation Strategy

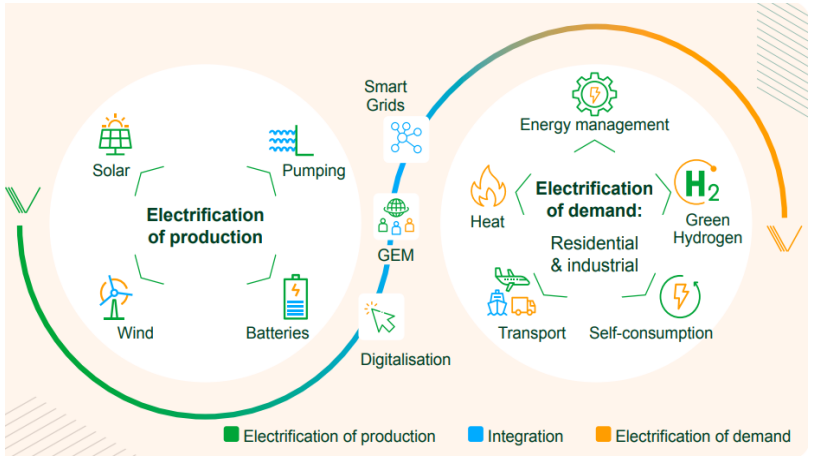
For the fourth year in a row, 1st private Utility Worldwide by R&D investment according to the European Commission

Evolution of spending on R&D&I (M EUR)



% Investment in R&D by strategic areas





More than 250 innovation projects implemented annually

Venture Capital & New Business investments through Perseo Programme

New Investments materialized

- Nido — Heat pumps
- RTS — Coatings
- aDi — Regional data center

New business launched

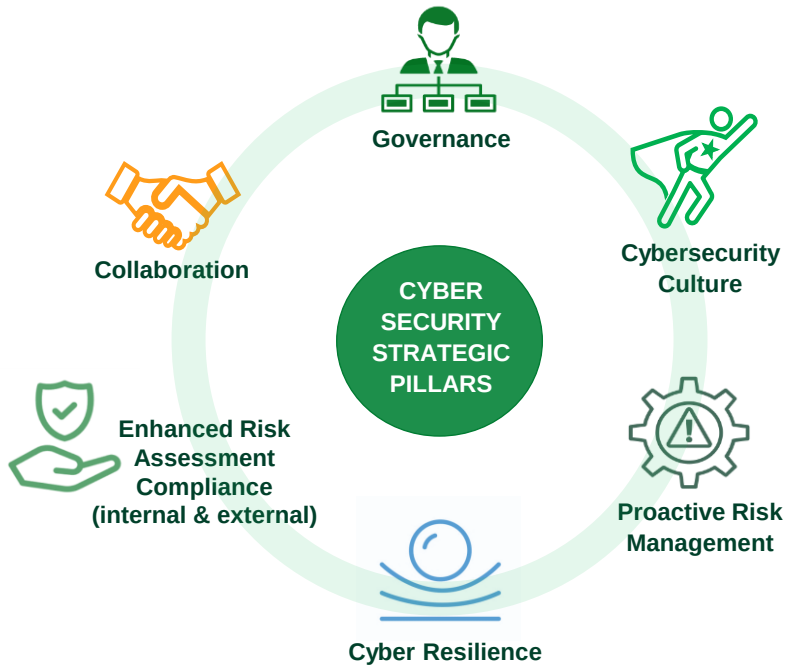
- CPD 4Green — Iberdrola's new venture for Data Centers

Innovation reports: https://www.iberdrola.com/innovation/our-innovation-model

Cybersecurity

Enabling secure operations, innovation, and digitization in an increasingly complex ecosystem
by **embedding Cybersecurity within Business decisions**

Cybersecurity Strategic Pillars



Holistic approach (IT – OT – IoT)

Specialized Cybersecurity teams within IT and all Business (OT)

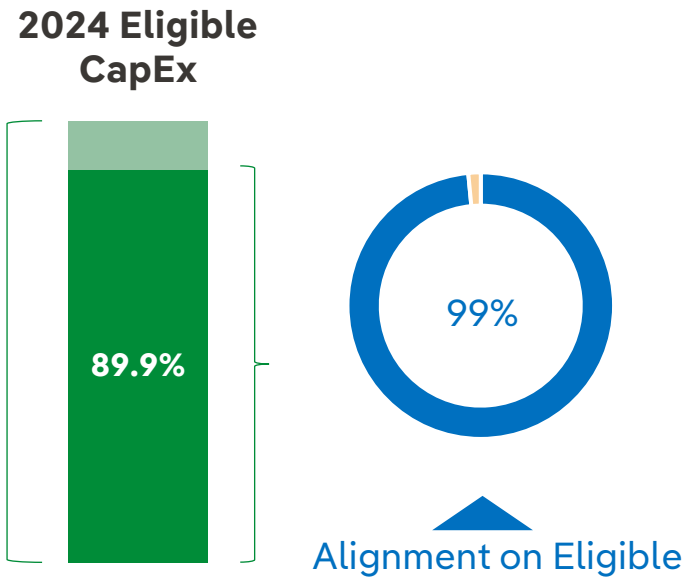
Global models, coordination and Thread Intelligence

Cybersecurity and information privacy objectives:

- Protecting our critical infrastructure
- Ensuring energy supply reliability and quality
- Protecting the data of our customers and other stakeholders
- Guaranteeing the integrity and confidentiality of financial and business information
- Protecting the brand and reputation of the Iberdrola Group

Capex Aligned with the European Taxonomy

The **CapEx of the aligned activities with respect to the total of eligible activities represents 99%.** The company believes CapEx alignment is the best indicator of the group's sustainability.



Sustainable Financing

~90% organic CAPEX to be EU taxonomy Aligned

2024	Eligible	Aligned	Aligned over Eligible
CAPEX	89.9%	89%	**99%**
OPEX	92.9%	87.8%	**94.6%**
REVENUES	61.5%	55.8%	**90.8%**

Thanks to the growth strategy based on smart grids and electricity generation from renewable sources, activities on which it focuses almost all of the investment

Sustainable Finance

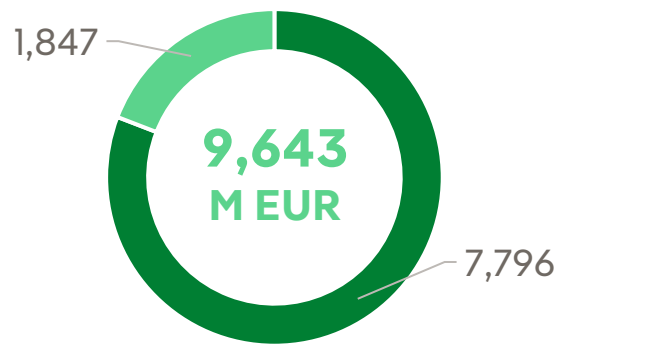
Triple Objective

- Align financial strategy with the purpose, values, and investment strategy.
- Optimize financial cost.
- Diversify financing sources by leveraging sustainability as both an end and a means for achieving financial strength.

In 2024, 94% of new financing has been sustainable

Sustainable financing of the Group in 2024

New financing



Portfolio at year-end

Climate Risks and Opportunities

Physical

Scope
All business and geographies (excluded underground infrastructures)

Granularity
Analysis done for each location

Assessment
semiquantitative analysis by the combination of sensitivity, exposure and adaptation capacity

One Material risk affecting Networks Assets

- For long term (around 2050 time horizon)
- Under the scenarios of higher emissions
- Mainly in USA assets

Additional resilience factors:

- Gradual renewal of the assets
- Diversification
- Consideration of climate change in new investment decisions
- Regulatory coverage

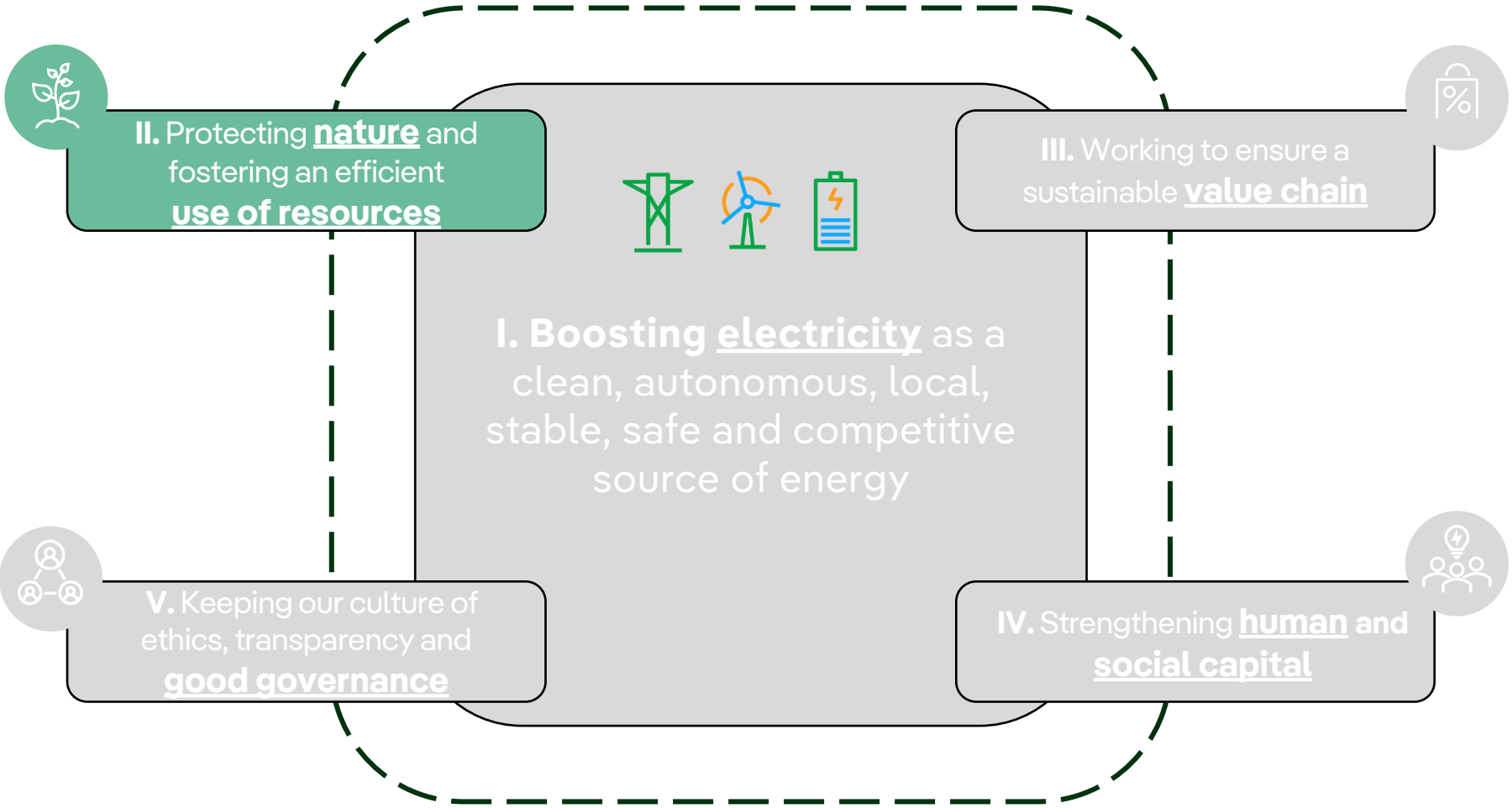
Transition

Mitigating actions allows to conclude that
No Material Risks on the Transition analysis

Opportunities identified

- Decarbonizing electricity generation
- Deploying heat pumps
- Marketing new electricity solutions
- Developing Green Hydrogen
- Digitalizing Transmission and Distribution Networks
- Increasing battery storage
- Increasing hydro pumped storage
- Expansion of EV charging
- Presence in Voluntary carbon Markets

Our roadmap in sustainability: Pillar II



Biodiversity preservation

Efficient use of resources

Biodiversity governance and sustainability system

Iberdrola S.A. have defined a Governance and Sustainability System to approve and update policies, which contain the guidelines governing the conduct of the Company on promoting nature and biodiversity integration into Iberdrola's decision-making processes.

Click to read

Policy on Management and Protection of Nature

Framework of reference for integrating the protection of nature and the environment within the Company's strategy, investments and operations.

Approved by Board of Directors

Click to read

Biodiversity Policy

Framework for articulating the Company's strategy and business model commitment to protect and foster biodiversity such that it contributes to a nature-positive community.

Click to read

2030 Biodiversity Plan

Mechanisms so that Iberdrola achieve a net positive impact on biodiversity and contributes to promoting cultural change to "Live in harmony with Nature".

Biodiversity metrics

Tools for measure the negative and positive impacts, produced by Iberdrola assets activities, on ecosystems and species.

Biodiversity Accountability framework

Operational framework that implements a physical accounting model to validate and monitor net positive impact on species and ecosystems.

Iberdrola S.A biodiversity report (click to read)

"Include nature and biodiversity in decision-making processes through data governance, guaranteeing the economic flows of the business and generating additional economic returns to the company's investments"

2030 Biodiversity Plan. Transforming risks into opportunities

Our model: Renewables & Networks

High interaction with the territory and its biodiversity due to its location in the natural environment

2030 Biodiversity plan

2030 OBJECTIVE: Net positive impact on biodiversity

2025: *New facilities, and at least 20% generation facilities in operation with material impacts on biodiversity will have biodiversity action plan*

2030: *100% Generation facilities and networks with a biodiversity action plan*

Lines of action

Measure
We improve measurement standards

Establishing a new net balance accounting framework for biodiversity

Act
We reinforce our actions

Having a positive impact by applying the mitigation and conservation hierarchy in all phases

Transform & Lead
Driving action for biodiversity

Contributing through innovation and the transmission of knowledge to the cultural change

Biodiversity plan

Two **metrics:**

- ✓ **Ecosystems - new developments.**
  Measures the change in the condition and extent of the affected ecosystems
- ✓ **Species - operation and maintenance.**
  Balance of impacts on species.
  Species index to prioritize prevention or mitigation actions

> **10 % of renewable facilities** on operation in 2024 are already **aligned** (**3,049.85 ha**)

2024 actions

Radar systems and other bird prevention actions

Protection of submarine cables with concrete blocks with ecological design

Leading the implementation of TNFD recommendations

- One of the initial **energy company included** in TNFD and WBCSD **case studies**
- Risks and opportunities published in Non-financial information report
- "***TNFD Early adopters 2024***": Iberdrola will publish its TNFD Report in 2025 (one of the primary utilities in the world)

Biodiversity Report 2024: https://www.iberdrola.com/documents/20125/41593/biodiversity-report-2024.pdf

Carbon2Nature

Carbon2Nature
Iberdrola Group

100% owned by Iberdrola to reduce the global carbon footprint through the development of nature-based solutions, with a high impact on biodiversity and local communities

>60 $MtCO_2$ caught or fixed in the nature over the long term

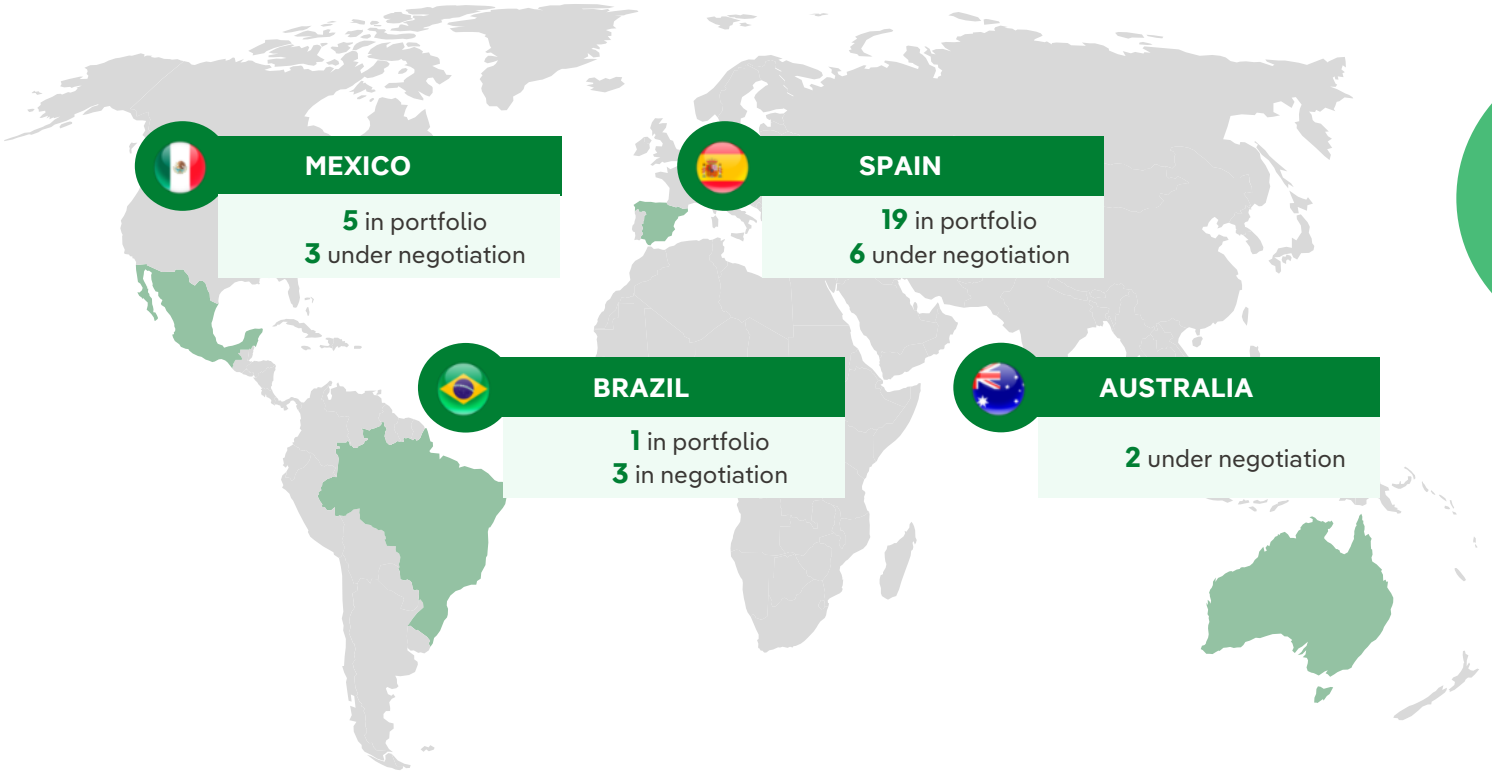
Diversity of high-quality projects:

FORESTRY (80%)
Restoration, management and conservation of forest ecosystems

BLUE CARBON (15%)
Conservation and restoration of coastal and marine ecosystems

AGRICULTURE AND INNOVATION (5%)
Soil capture, methane reduction and other innovative techniques

Global presence: +40 Projects ongoing or study across Iberdrola's key countries



25 projects in portfolio

Climate
>7 $MtCO_2$ will be caught or fixed in nature by the 25 projects in portfolio

Territory
>40,000 ha under mangement

Trees
>2M has been planted and >3M will be planted in 2025

Carbon credits generated are certified by International Standards & Verifiers

IETA International Emissions Trading Association · United Nations Decade on Ecosystem Restoration 2021-2030 · ICROA · CCP · Science Based Targets · VCMI Voluntary Carbon Markets Integrity Initiative · IC The Integrity Council for the Voluntary Carbon Market · IUCN Global Standard for Nature-based Solutions

Circular Economy Plan: Value Chain

The circular economy involves a cultural change in the way we understand the production and consumption to reduce resources needs and environmental impacts while creating value and employment.

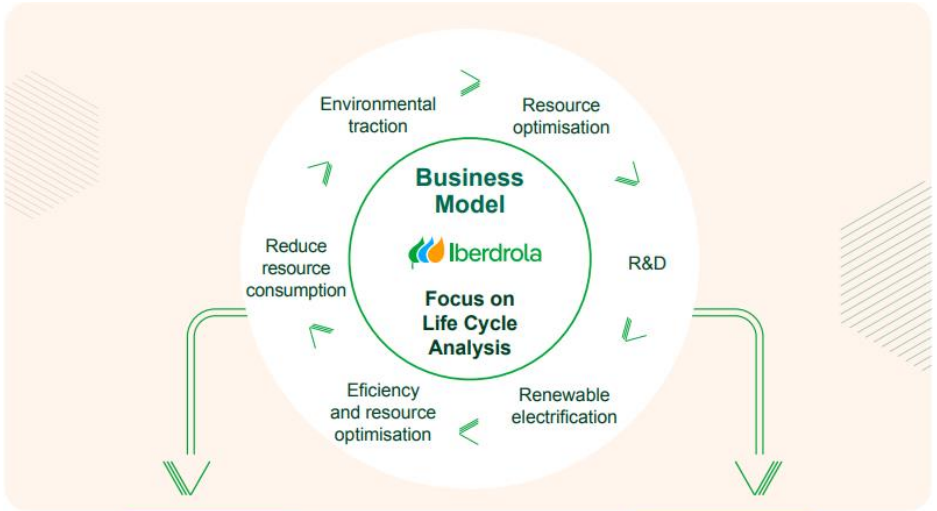
Three pillars

Use of **renewable resources** for energy production across the value chain

Improved **efficiency** in processes and services

Minimisation of waste and foster recycling

Our circular economy model



Actual figure 2024:
98.4% of blades or panels recycled

ENERGYLOOP

VISION: to become the leader in the recycling of wind turbine blades in Spain and Portugal

- **Target:** to have an operational facility available **when massive wind decommissioning activity begins**.
- Creating **alliances** with stakeholders in the wind sector to take advantage of **repowering opportunities**
- **Alliance with FCC Ambito**, a key player in industrial waste management

MISSION: To provide high-value secondary raw materials that enable value creation

Energy efficiency – Emissions avoided

Progress

Mt of CO_2 emissions avoided

26.67	23.13
(2023)	*(2024)*

Initiatives to reduce emissions are undertaken through a broad range of products and services promoting energy efficiency and savings:

- Production of renewable energy
- Savings through cogeneration
- Improving networks efficiency
- Offering green products and services to our customers

CO_2 avoided emissions have been calculated under the most rigorous methodology, as the product of the production attributable to each operation and the emission factor corresponding to the country where the assets are geographically located (not just the most polluting technology).

Million GJ/year avoided of equivalent consumption of non-renewable primary energy

280.08	309.5
(2023)	*(2024)*

Million GJ/year of energy savings from green products and services

273.31	287.6
(2023)	*(2024)*

Efficient use of resources: specific water consumption

Iberdrola works to make rational use and efficient management of water resources

Search for efficiency

Control of consumption

Promote reuse

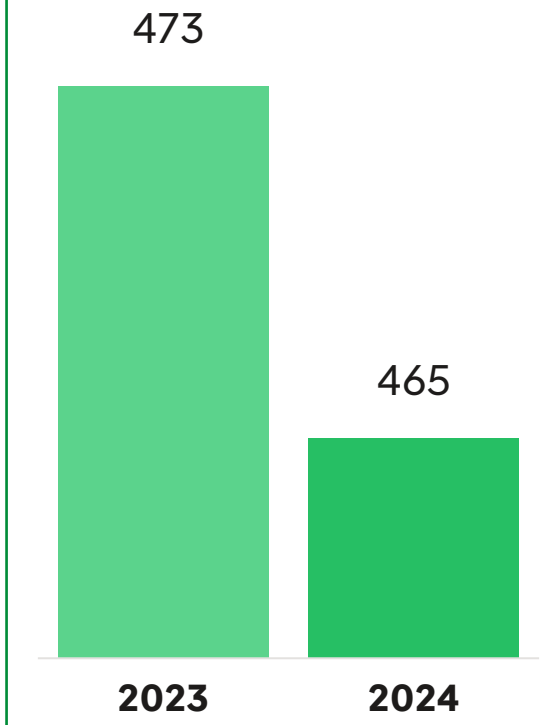
Avoid pollution

95% of water collected in thermal generation purposes is **returned to the environment**

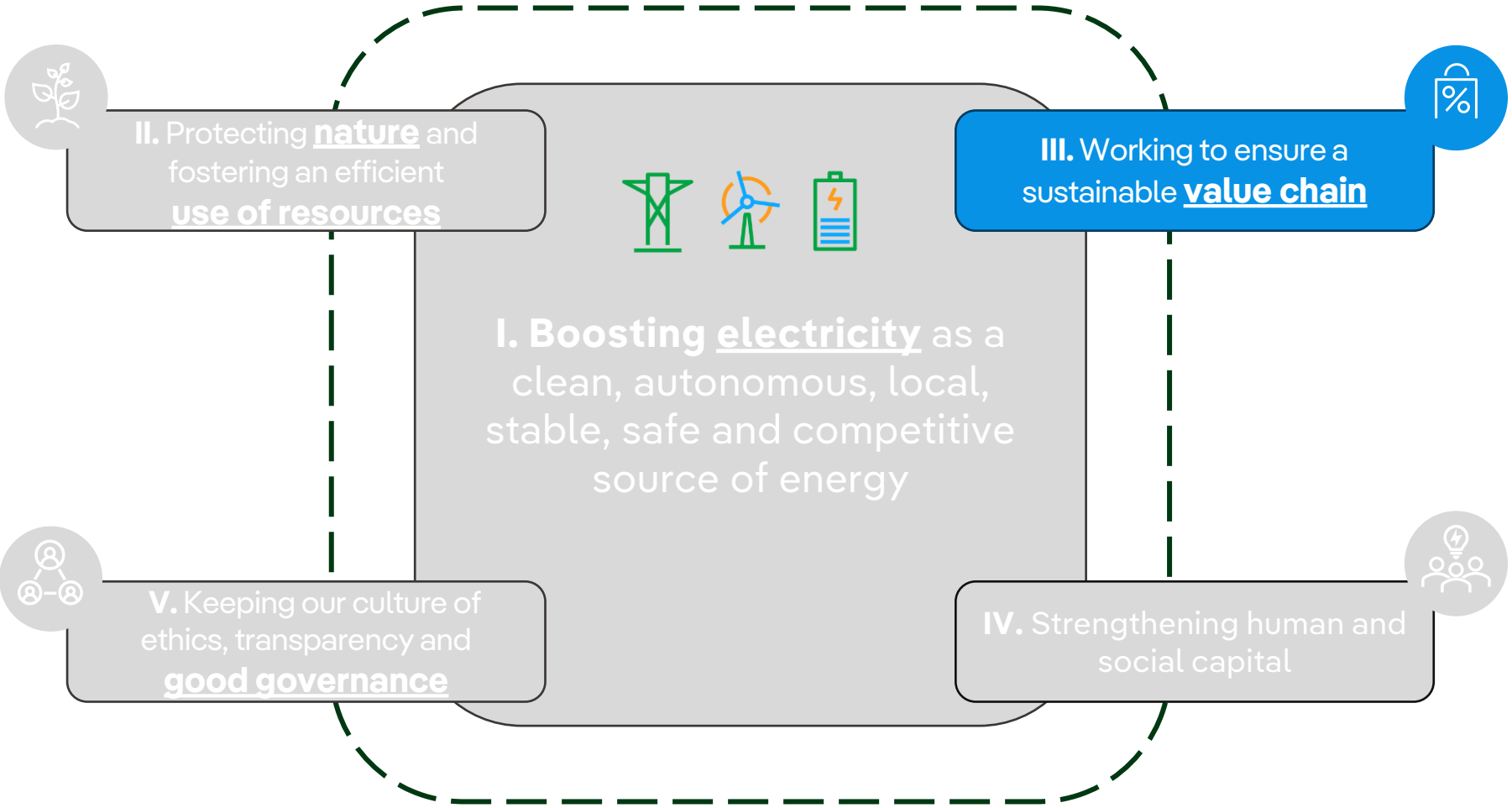
65% of the water withdrawn is seawater or saltwater that **does not affect water stress**

7,357 hm³ amount of water recycled/reused **vs 62 hm³ of water used**

Water consumption / total production (m^3/GWh)



Our roadmap in sustainability: Pillar III



Sustainable supply chain

Customers

Purchasing and supplier management

2024 Purchasing magnitudes

>17,500
M EUR per year
purchasing in equipment, materials works and services.

88%
purchasing from local suppliers.

>19,000
suppliers.

Overall supplier satisfaction
8.53 /10
2,100+ responses received

2030 TARGET
≥ 85%
Purchases from **sustainable suppliers**

We evaluate the sustainability criteria of our suppliers:

AENOR SUSTAINABLE PROCUREMENT STRATEGY EA ISO 20400

ENVIRONMENTAL (40%)
- Existing policies
- Management Systems
- Greenhouse effect gases
- Biodiversity
- Climate change
- Water Management

SOCIAL (30%)
- Human rights
- Equal opportunities
- Management Systems
- Contribution to society
- Reporting and transparency

GOVERNANCE (30%)
- Existing policies
- Ethics and Compliance
- Sanctions
- Stakeholder groups
- Supply Chain

96% of the total amount awarded has been assigned to evaluated suppliers.

96% of the total amount awarded corresponds to suppliers who exceed the required level (more than 51 points and at least 30% of the points on each of the Sustainability axes).

1,200+ improvement plans sent to Group suppliers in the period 2020-2024 and 66% of them have managed to improve their level of sustainability.

48 social and sustainability audits conducted in 2024 to main suppliers of the Group globally.

Procurement and Supplier Management activity report: https://www.iberdrola.com/suppliers

Purchasing and supplier management

Challenges achieved in 2024

- More than 85% of main suppliers subject to sustainable development policies and standards. ✓
- Social and sustainability audits performed to Tier-1 main suppliers. ✓
- Follow up audit for the ISO 20400 Sustainable Procurement Strategy certificate. ✓
- Celebration of the 2024 Supplier of the Year Awards in each one of the subholdings. ✓
- Advance in the traceability of the supply chain. ✓
- Supplier Satisfaction Survey IX edition performed. ✓

New challenges (short and medium term)

1. More than 85% of purchases made from main suppliers subject to sustainable development policies and standards.
2. Incorporate tools into the purchasing process to manage the risks associated with the supply chains of our direct suppliers.
3. Strengthen the supply chain Due Diligence system in order to mitigate sustainability risks.
4. Improve the carbon footprint information collection of our suppliers and their decarbonization commitments.
5. Implement new, unified, digital and more efficient global third-party relationship model, providing integration across all Group areas.

Supplier of the Year 2024 Awards
Iberdrola

We celebrate our suppliers' excellence with the 2024 Supplier of the Year Awards, recognizing 42 companies for their innovation, job creation, health and safety, equal opportunities, quality, and sustainability

Just Transition

In supporting the energy transition and the green economy, **Iberdrola supports an orderly, just and inclusive transition**, promoting economic and industrial development, as well as clean, autonomous, local, stable, safe and competitive energy.

Specific targets for main stakeholders:

Employees
Green-skilling Program Deployment

Customers
Quality of supply, Smart solutions, accessibility solutions...

Supply Chain
>85% of Sustainable suppliers

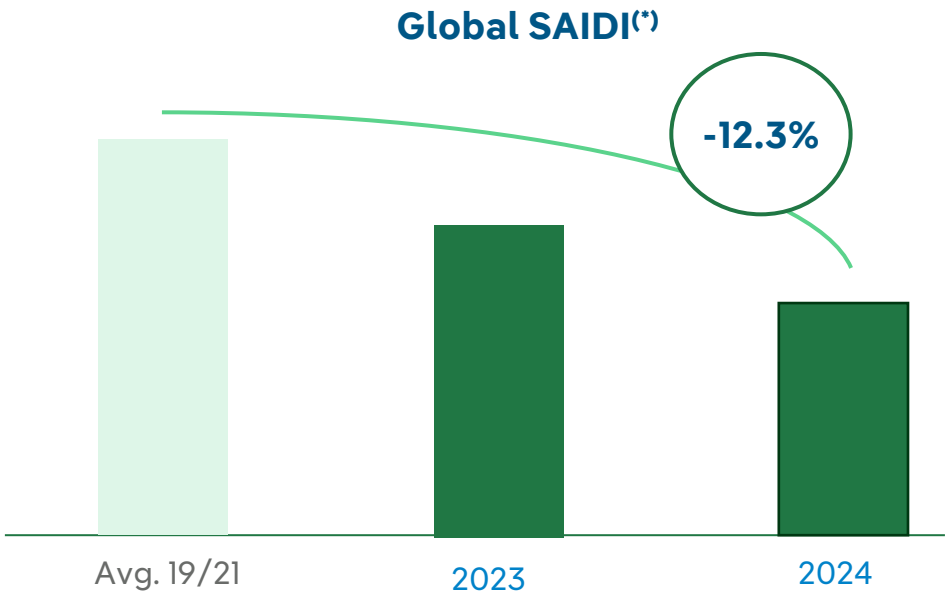
Local Communities
Human Rights Due Diligence and Stakeholder Engagement model

Maximizing the social and economic opportunities of climate action while managing potential impacts on communities.
Leaving no one behind

Networks – Supply Quality

Digitalization and advanced control systems enable accelerated improvement in service quality

Improvement of Supply Quality



(*) SAIDI: System Average Interruption Duration Index

Valencia (Spain) DANA

RESPOND:
The company responded exceptionally during the worst rainstorm of the century in Valencia (DANA), restoring electricity in record time and **supporting the affected community**.
i-DE mobilized over 500 workers and sent 1 million messages to customers, **recovering 90% of the supply in 48 hours** and the entire network in just over 72 hours.

INVEST:
Iberdrola launched the **il-lumina project**, investing 100 M EUR to redesign the power grid.
- Improved scheduled outage notifications
- Increased level of digitalization

MORE ROBUST AND RESILIENCE NETWORK

Customers

Smart Solutions:

Products and services that promote efficiency, energy savings and care for the environment

Industrial

Residential

- *Industrial heat*
- *Smart Solar*
- *Smart Mobility*
- *Smart Clima*
- *Smart Home*
- *Smart Cities*

Key Figures

72% of our commercial customers are digital

16 M Smart solutions in portfolio

50 Customer Accessibility Solution

475 Solar communities operating

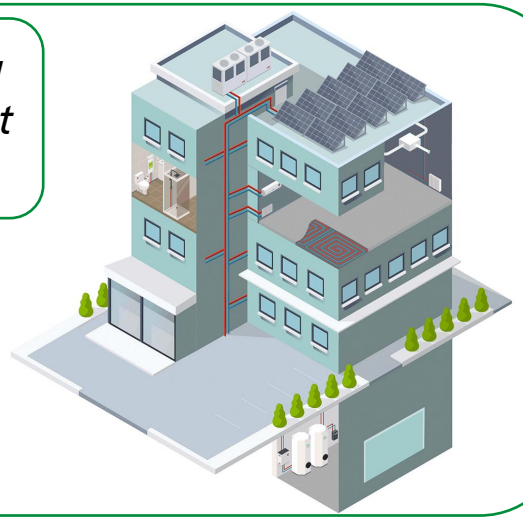
100 M customers served and **36 M** consumers

ATuAire by Iberdrola

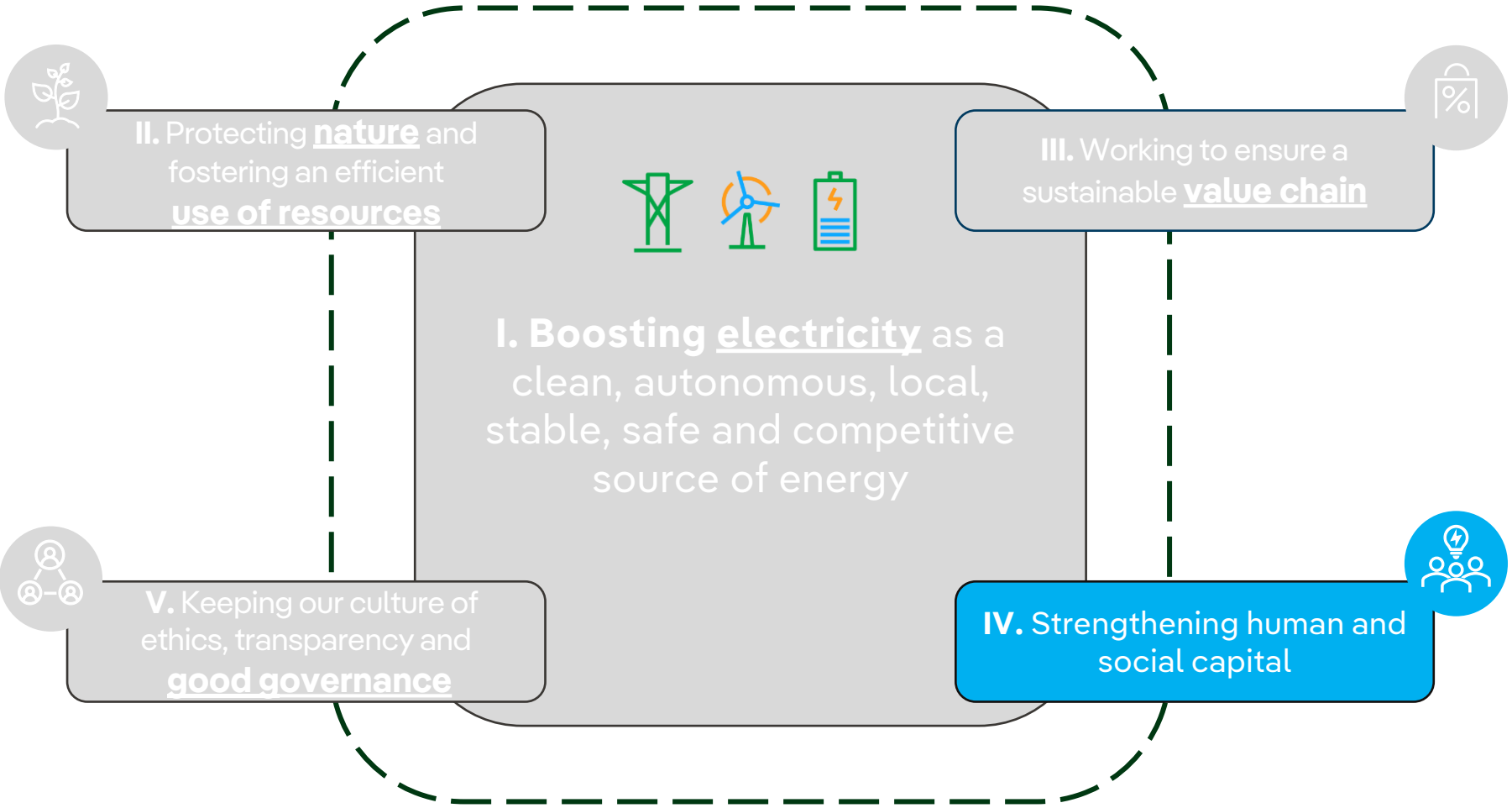
Tertiary and industrial** as well as **big residential consumers

*Solutions for customer´s **heating and cooling needs** based on heat pump technology*

Economic	Global & Customized	Sustainable
More efficient generating savings from the first day	End to end Solution, integrating the new solution to the existing facilities	Based on decarbonized solutions and long-term green energy contracts



Our roadmap in sustainability: Pillar IV



- Equal opportunities
- Health & Safety
- Employee Upskilling
- Community Development

Our people

Creating Quality Jobs

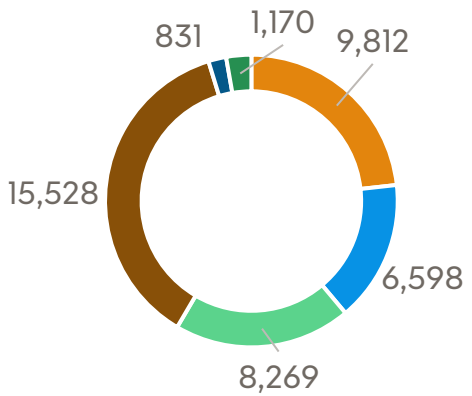
- **42,208** of total group workforce
- Average of more than **4,000 employees hired** each year since 2007
- **95 Nationalities**

9% of **total employee turnover**

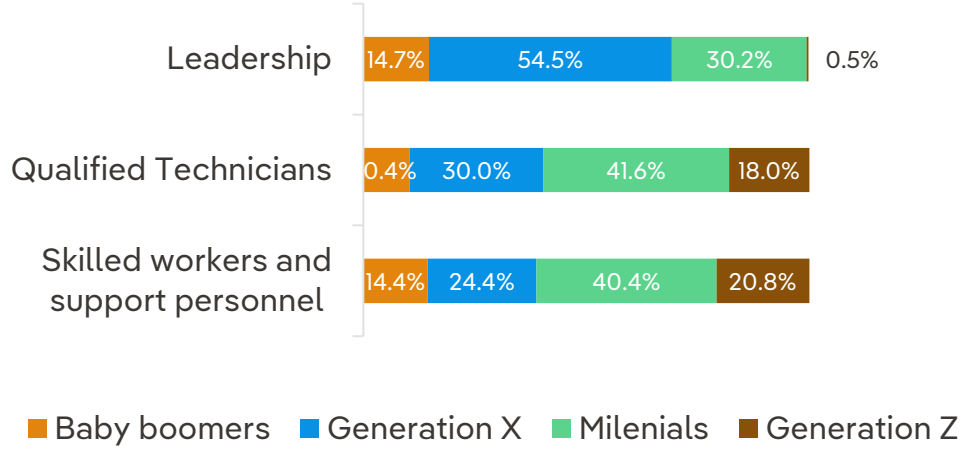
3.17 **rate of work-related injuries** (own-personnel)

99% of the workforce with **permanent contracts**

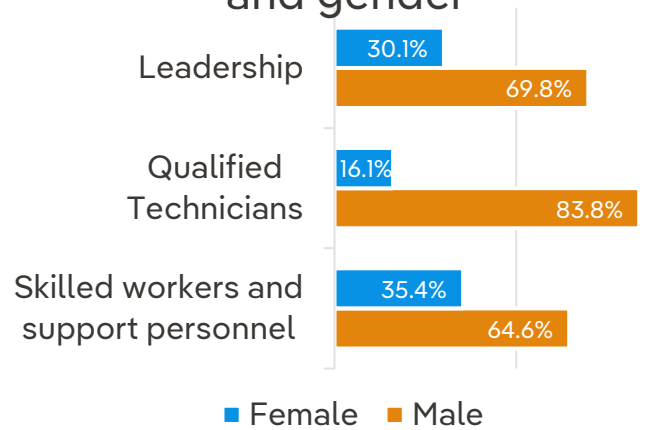
Distribution by country



Distribution by professional category and generation



Distribution by professional category and gender



Equality and Inclusion (E&I) Strategy

At Iberdrola, we embed equal opportunity and inclusion into our value chain through cross-cutting initiatives aimed at our workforce and other stakeholders to drive economic growth, social development and generate a more innovative and sustainable energy future for all

Promotion of an inclusive **culture** through training of team leaders, collective awareness-raising and positive communication.

Contribution to bring about **real change** towards a more sustainable future and a fairer society.

Inclusive **talent management** to promote equal access to opportunities and enhance the development and growth of all people in the company.

Inclusive **services** are offered and energy access for vulnerable customers is promoted.

Employee Upskilling: Green Skilling (Green + re-skilling) Pioneers

We consider reskilling to be the process by which our people can acquire new skills that increase their contribution of value to the organisation or provide them with professional repositioning within the energy transition process ("green skills")

>3M
hours of training provided

>2M hours devoted to green skilling training to keep our staff always up to date

Training in every key area

Technical:	63%
H&S:	17%
Leadership Development:	4%
Languages:	2%
Strategic Capabilities:	8%
Others:	6%

77%
of training in a blended format and 23% digital

95%
of trained employees. Training accessible to all staff

73.8 h/employee
Considering a headcount of 41,585

20
Masterclasses offered, displayed by >8,000 employees

>15
Different languages used in the courses

7
Communities of knowledge launched, with almost 7,000 employees as members

>40,000
Different courses in the catalogue

Community Development: foundations of the Iberdrola Group

During the 2024 FY, our foundations allocated approximately 14 M EUR to support programmes for the communities in which the company operates

Training and research:
- 2.9 M EUR
- 80 scholarships
- 50 units and research centers

Biodiversity:
- 2.3 M EUR
- 40 projects and collaborations

Alliances
>500,000 M EUR

Arts & Culture:
- 2.8 M EUR
- +40 projects

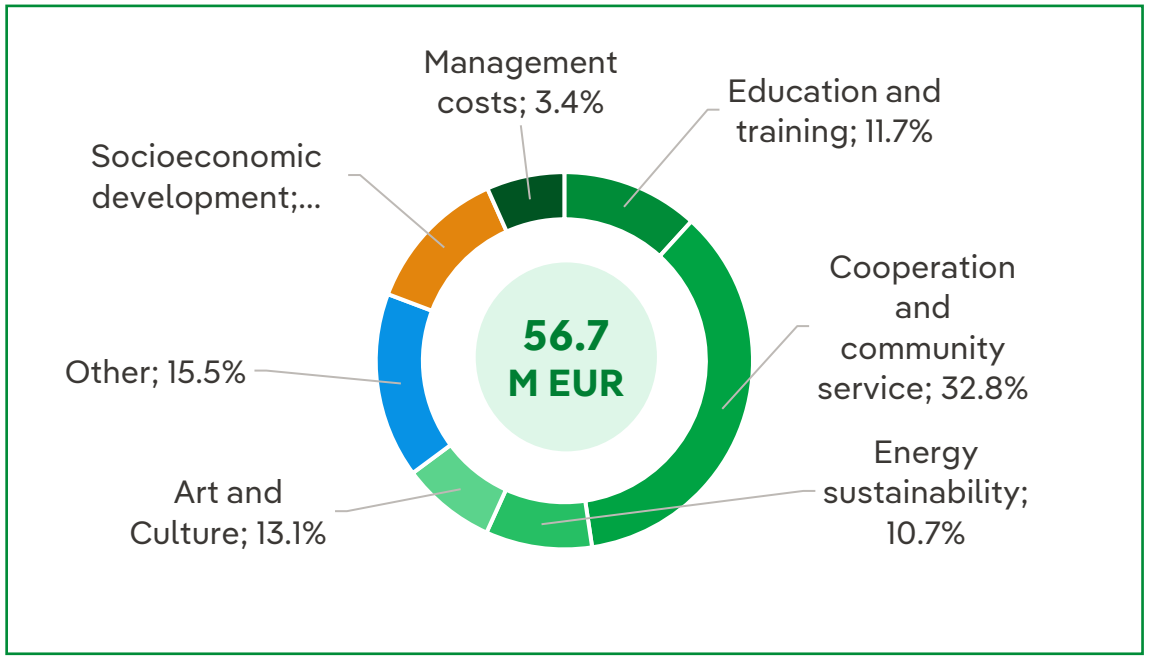
Social action:
- 5.3 M EUR
- 100 collaborations

	+ 6.5 M EUR +3,900,000 Beneficiaries
	+3.2 M EUR +1,234,000 Beneficiaries
	+1.9 M EUR +40,000 Beneficiaries
	+1.2 M EUR +189,000 Beneficiaries
	+0.9 M EUR +649,000 Beneficiaries

Community Development: Contribution to the community

Iberdrola has selected the Business for Societal Impact B4SI model to measure and assess business contributions to the community. This standard only recognises projects that involve voluntary contributions for social or environmental protection ends, for non-profit purposes, and that are not restricted to groups related to the company.

Iberdrola's contribution by programmes



PROUD to be a part of BUSINESS FOR SOCIETAL IMPACT CORPORATE CITIZENSHIP SUPPORTED BY SLR 2024

In 2024, the contribution amounts to 56.7 M EUR

Equivalent to 1.1% of 2024 net profits

Iberdrola's community contributions. Assurance Report 2024: https://www.iberdrola.com/documents/20125/4778712/gsm25-assurance-report-2024.pdf

Community Development: Fiscal Contribution - Taxes / Group

Tax contribution of **10,300 M EUR** in 2024, an **increase of 8%** over the previous financial year

Own taxes charged to the income statement of **5,279 M EUR**, representing **48%** of profit before tax.

43,000 M EUR in taxes paid over the **past five years**

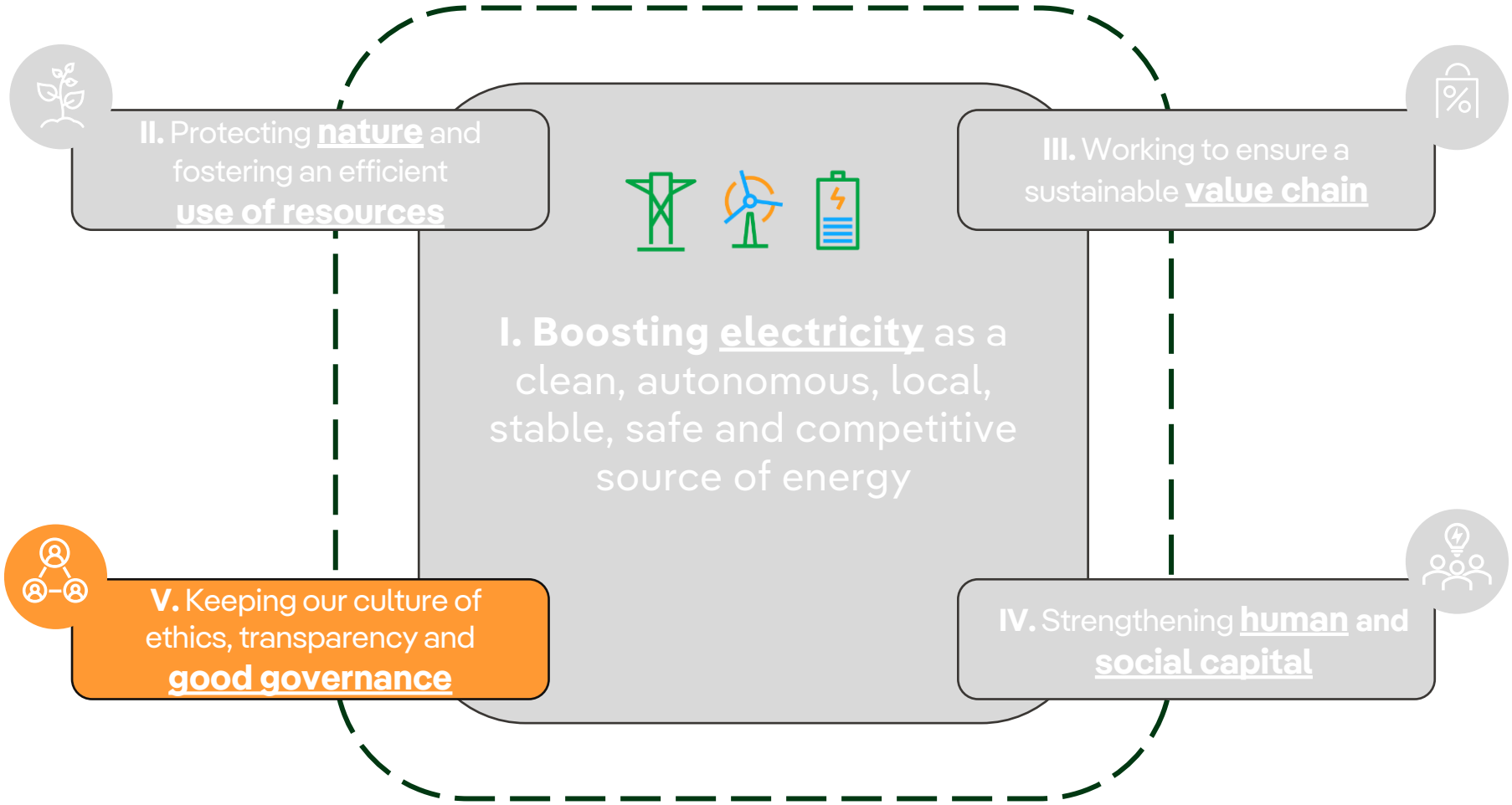
Taxes paid are twice as high as the Group's net profit

Iberdrola's tax contribution by countries

Taxes paid to public treasury (M EUR)	Company contributions	Contributions due to third-party payments	Total
Spain	2,532	1,781	4,313
United Kingdom	984	276	1,260
United States	891	401	1,292
Brazil	219	2,209	2,428
Mexico	452	-10	442
Other countries	201	364	565
Total	**5,279**	**5,021**	**10,300**

Report on tax transparency 2024: Report on tax transparency of the Iberdrola Group 2024

Our roadmap in sustainability: Pillar V



- Corporate governance
- Composition of the Board of Directors
- Compliance
- Human rights
- Stakeholder engagement

Driving Ideas of the Governance and Sustainability System

Leadership in sustainability, corporate governance and transparency and an ethics-based culture are hallmarks of the identity of IBERDROLA, S.A.

Sustainable creation of long-term value and efficiency

Permanent engagement of and active listening to Stakeholders

Decentralised structure

Human and social capital

Electrification of the energy model

Compliance and comprehensive risk management

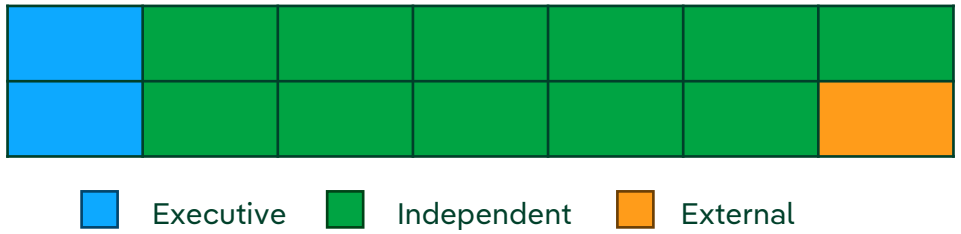
Company's Board of Directors therefore regularly reviews the Governance and Sustainability System, keeping it updated and including therein the good governance recommendations and best practices

Governance and Sustainability System
Last amended on 25/03/2025

Annual Corporate Governance Report 2024: https://www.iberdrola.com/documents/20125/4778712/gsm25-annual-corporate-governance-report-2024.pdf

Board Composition – Increased Independence

Board of Directors



FEATURES

- Executive Chair
- CEO
- 2 Vice-Chairs
- 1 Lead Independent Director
- Executive Committee (4 out of 6 independent)

All Board members have received ***>95% shareholder support***

KEY COMMITTEES

Audit and Risk Supervision Committee	Sustainable Development Committee	Remuneration Committee	Appointments Committee
100% independent	*100% independent*	*67% independent*	*100% independent*

✓ Independent Committee Chair

COMMITTED

58 times
Total Board and Committee Meetings

152 hours
Total Hours of Board and Committee Meetings

837 hours
Total Collective Hours Committed by the Directors

60 hours per director
Average Hours Committed Per Director to Meetings

CONTINUOUS TRAINING

- ✓ **Artificial Intelligence**
- ✓ **Compliance**
- ✓ **Sustainability**
- ✓ **Incentivization**
- ✓ **Social & Human Capital**
- ✓ **Governance**

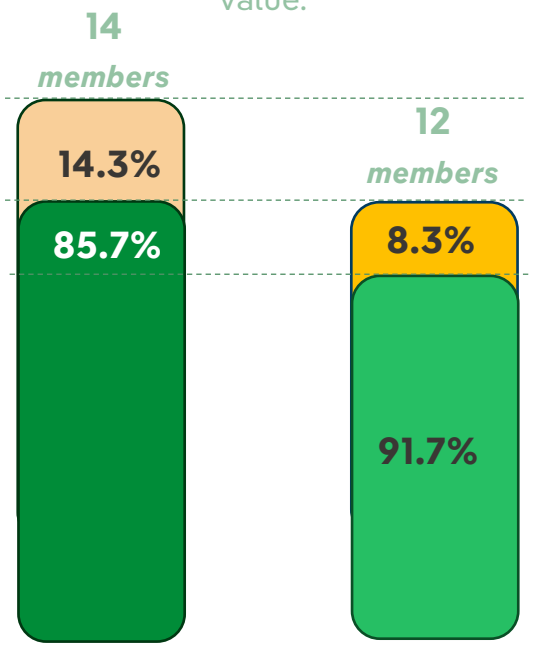
Board Evolution - Composition, Seniority & Gender Balance

Iberdrola's Board is independent, refreshed, and diverse, designed to foster effective governance and strategic oversight to support long-term value creation.

INDEPENDENT

A highly independent Board that ensures Iberdrola's actions remain aligned with long-term shareholder value.

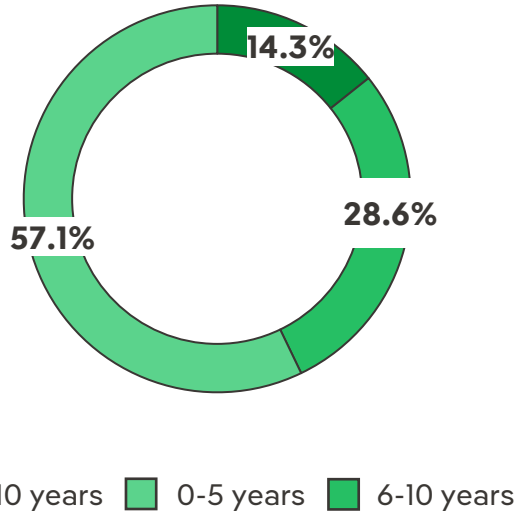
Independence



HEALTHY TENURE

Optimal balance in fresh perspective and continuation of institutional knowledge

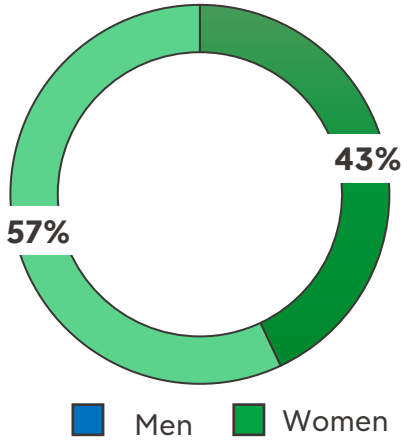
Board Seniority



DIVERSE

Diverse perspectives, and backgrounds continue to enrich the quality of Boardroom discussions.

Gender Breakdown

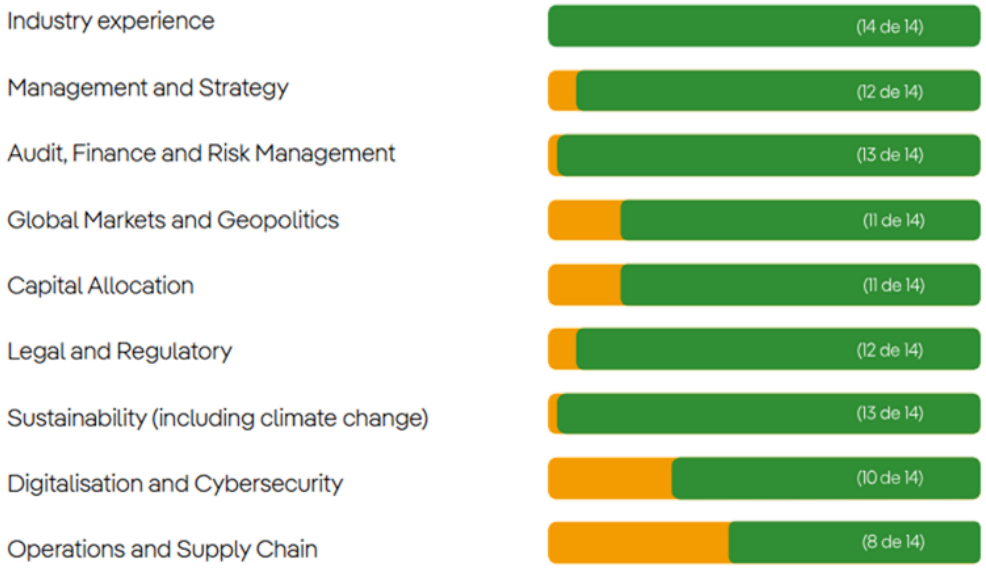


Nationalities

Board Skills Matrix

A skilled and experienced Board with deep industry knowledge and complementary skills, well-positioned to provide robust oversight of Iberdrola's evolving strategy, risks, and opportunities.

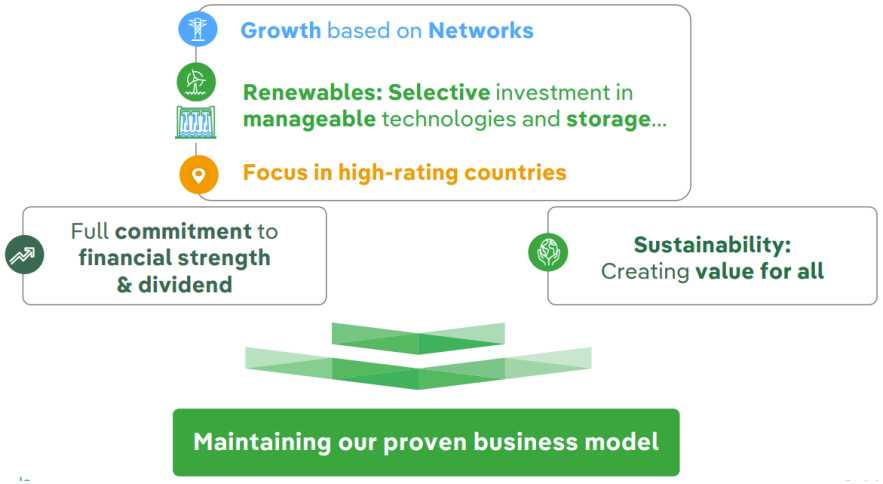
BOARD SKILLS



*Experience and skills selected to provide robust **oversight** of Iberdrola's long-term strategic direction*

*Strategic direction **informs** the evolution of future Board composition*

STRATEGIC PILLARS



Skills evolved in-line with Iberdrola's strategic priorities and material risks & opportunities to maximize long-term value:

- Strong **industry**, **management and strategy**, and **global experience** as Iberdrola continues to expand its operations globally
- **Capital allocation** and **financial skills** prioritized to provide prudent oversight over the investment plan while retaining competitive dividend levels
- **Geopolitics**, **cybersecurity**, and **supply chain expertise** to address Iberdrola's evolving risk landscape

Current Remuneration Policy

A Clear Policy, Supported by Shareholders

Principles applicable to the officers	Elements of the Remuneration Policy		
	Fixed Remuneration	Short-Term Variable Pay	Long-Term Variable Pay
Transparency	●	●	●
Competitiveness	●	●	●
Performance-Based		●	●
Shareholder Alignment			●
Risk Measures (Claw-Back, Malus, etc.)		●	●

Practices Observed at Iberdrola			
>50% Independent RemCo	●	Increased Focus on Financial Metrics	●
Dialogue with Stakeholders	●	Material Sustainability Topics Factored in STI and LTI	●
Three-Quarters of Pay "at Risk"	●	No Overlap in Equity Awards (LTI Granted Every 3 Years)	●
Majority of Variable Pay is Long-Term	●	Dilution Controlled	●
Ex-Ante Disclosure of LTI Targets	●	Shareholding Policy for Executives and Non-Executives	●
Ex-Post Disclosure of STI Targets	●	Clawback and Malus (STI + LTI); No Hedging	●
3-Year Deferral Period for LTI	●	Easy to Understand Policy	●

Key Principles

Promotes **sound remuneration principles and practices** to contribute to the achievement of long-term Strategic objectives

Complies with **best market and governance practices** and is aligned with the expectations of shareholders and proxy advisors.

Provides **transparent** and **complete information** that is relevant, sufficient and in line with best and market practices.

Leveraged as a **strategic tool** for the **sustainable creation of value** for all stakeholders.

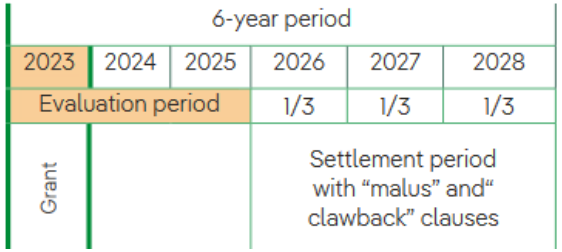
Long-Term Incentive Plan (2023-2025)

Targets Aligned with Iberdrola's Strategy

Strategic Bonus (2023-2025)			
Conditions	**Weighting**	**Threshold**	**Maximum**
Economic Objectives	**50%**		
Consolidated Net Profit	30%	5,000 M EUR	5,400 M EUR
Relative TSR	20%	-5pp EuroSTOXX Utilities Index	+5pp EuroSTOXX Utilities Index
Financial Objectives	**20%**		
Maintain Financial Strength	15%	Maintain credit ratings at YE 2025 at two Agencies < BBB+ or Baa1	Maintain credit ratings at YE 2025 at two Agencies BBB+ or Baa1
ESG Financing (NEW)	5%	ESG financing at least 80 % of total new financing issued by the Group	ESG financing at or more 80 % of total new financing issued by the Group
Sustainability Objectives	**30%**		
Reduction of CO2 Emissions	10%	>88 gCO_2/kWh	≤ 70 gCO_2 kWh
Number of Suppliers Subject to Sustainable Development Policies and Standards	10%	<80%	≥ 85%
% of Women in Relevant Positions	10%	<26 %	≥ 30%

DURATION

2023-2025 Strategic Bonus (evaluation period)



2025 Annual Variable Remuneration Framework

Executive Chairman - 2025 Annual Bonus

Conditions	Weighting
Financial Objectives	**75%**
Net Profit	30%
Shareholder Remuneration	22.5%
Financial strength	22.5%
Sustainability Objectives	**25%**
Workplace Health & Safety	10%
Sustainable Business Strategy and Presence on Indices	7.5%
Cybersecurity	7.5%
Targets and Achievements to be disclosed retrospectively	

CEO - 2025 Annual Bonus

Conditions	Weighting
Financial Objectives	**60%**
Net Profit	30%
Financial strength	30%
Operational Objectives	**30%**
Recognised Network Assets	10%
Regulatory Aspects	10%
Efficiency in Operations	5%
Customers	5%
Sustainability Objectives	**10%**
Workplace Health & Safety	5%
Cybersecurity	5%
Targets and Achievements to be disclosed retrospectively	

Annual report on remuneration of directors and officers 2024: gsm25-annual-remuneration-report-directors-officers-2024.pdf

Human Rights: A Human Rights Due Diligence System

In **2015**, the Board of Directors **approved the** Human Rights Policy which is mandatory for all companies and professionals in the group that foresees a set of tools, aligned with the main international standards, to **prevent, mitigate and repair any negative impacts**

Iberdrola commitments

To **respect the human and labor rights** even in countries in which the legislation on human rights has not been adequately developed.

To **reject child labor exploitation, forced labor or any other form of modern slavery,** and **respect freedom of association and collective bargaining, as well as nondiscrimination,** the **right to move freely** within each country and **ethnic minorities and Indigenous Peoples rights**.

To **respect the right to a clean, healthy and sustainable environment** of all the communities in which it operates.

To understand **access to energy as a right related to other human rights**, working with public institutions in the implementation of protection systems for **vulnerable customers**.

Iberdrola Group's Human Rights Regulatory Framework secured through

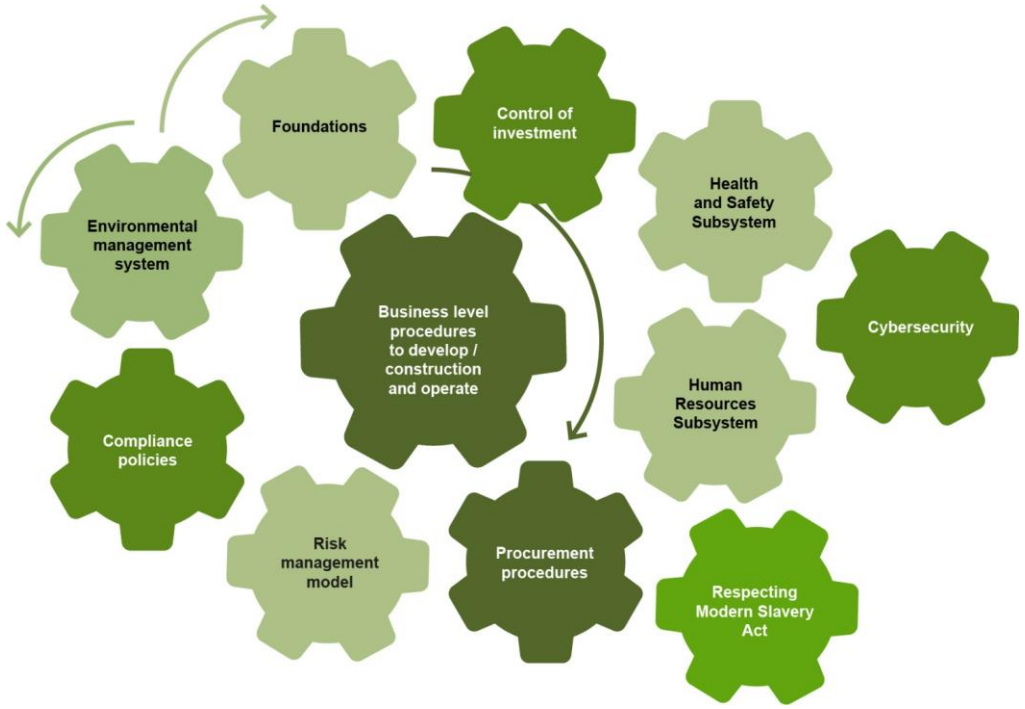
- International Human Rights Framework
- Governance and Sustainability Framework
- Regulatory Framework for Sustainable Development

The Governance and Sustainability Model

Integration of due diligence systems from a human rights perspective

The 3 Lines of Defense Control Model

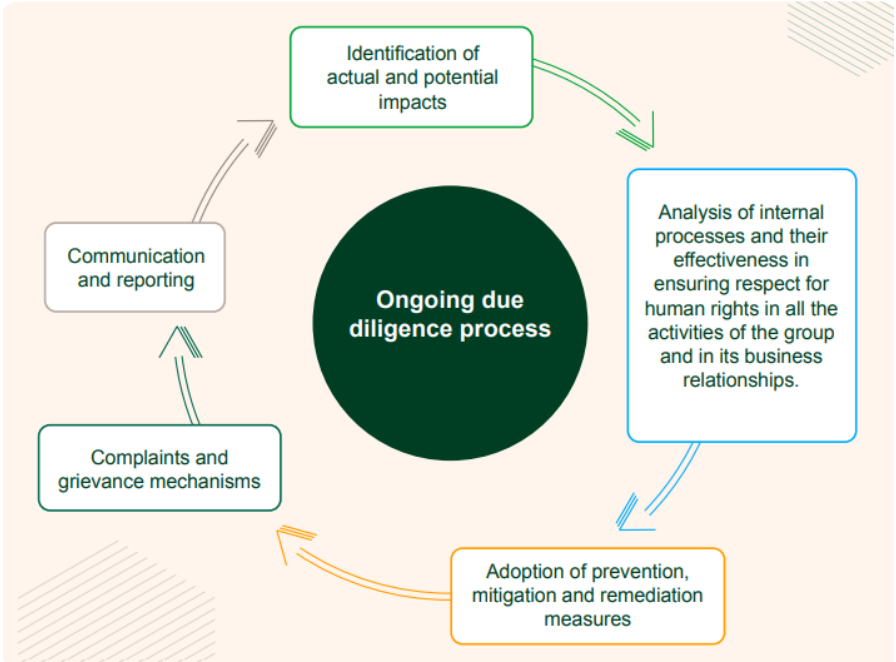
Human Rights: A Human Rights Due Diligence System



As a result of the adoption of a **broad definition of human rights**, the due diligence system is based on **various subsystems and procedures**

Some of these subsystems operate **according to external recognized** frameworks such as: ISO 14001 (Environment), ISO 45001 (Health and Safety), ISO 20400 (Procurement), ISO 37001 and ISO 19601 (Compliance),...

In accordance with UNGP 15 and UNGP 17, Iberdrola understands **the Human Rights Due Diligence System** as a **continuous process** aplicable to all phases (planning, construction, operation, maintenance and closure of facilities) taking into account the geographical framework and the characteristics of the supply chain



Further information: https://www.iberdrola.com/social-commitment/human-rights

Stakeholder engagement model

Iberdrola develops a responsible, sustainable and resilient business model, that puts stakeholders at the heart of its decisions

Iberdrola considers six priority stakeholders:

- Iberdrola's people
- Shareholders and financial community
- Customers
- Supply chain
- Communities
- Environment

Interactions

75 Subgroups of interest	3,489 Entities	1,307 Channels
1,907 Relevant Matters	981 Risks	605 Reputa-tional risks
1,109 Opportuni-ties	2,665 Action plans	154 Good practices

In 2024, 80.1% of our installations already have the Stakeholder engagement model implemented

Public affairs

In line with its strategy, Iberdrola promotes and supports the approval of objectives and frameworks for climate policies in line with the Paris Agreement (1.5°C) from an ambitious perspective that creates value for society as a whole.

Indirect lobby
Participation in national and international associations

Alignment with Paris Agreement (1.5 scenario), the promotion of energy transition and the defence of Human rights.

Consistency with the Corporate Purpose and Values.

Annual analysis of the degree of alignment of organizations Iberdrola participates, with the company's Statement of commitment to sustainable development, decarbonization, respect for and defence of Human Rights and the fight against climate change.

The Group has developed a **specific framework for managing possible episodes of misalignment**.

Direct lobby
Engagement with public bodies

Legitimate defense of Iberdrola and its stakeholders' interests.

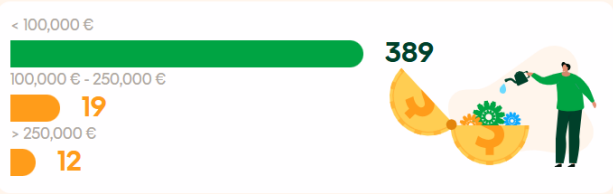
Participation in **public consultation processes** stating its global climate positions advocating and promoting the decarbonization and the energy transition in line with Paris Agreement (1.5°).

Maintaining regular **contacts with public bodies advocating and promoting decarbonization**.

Full transparency regarding financial contributions to political parties: Iberdrola is a **politically neutral company**.

Number of **organisations**

According to the economic contribution made by the companies of the Iberdrola Group in 2023 (€)



National and **international** partnerships

Alignment with Iberdrola's Statement of commitment to sustainable development, respect for and defence of Human Rights and the fight against climate change.

This chart does not take into account organisations of which Avangrid is a member due to the legal restrictions mentioned above.

Further information: https://www.iberdrola.com/about-us/stakeholders/public-affairs

Indexes

MEMBER OF Dow Jones Sustainability Indices In Collaboration with RobecoSAM	Included in all 25 editions
MSCI	AAA Only 10% utilities with AAA
FTSE4Good	Included in the rank since 2009
Rated MORNINGSTAR | SUSTAINALYTICS	Iberdrola among the highest rated utilities
CLEAN200 2025 list	First utility and first Spanish company in the ranking

	Top 1 % S&P Global ESG Score
	Iberdrola Included
	Iberdrola classified as Prime
	Only Spanish company present in the ranking
	Iberdrola among the most influential utilities in the world

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This document 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 International Financial Reporting Standards (“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 document have not been audited. Please refer to this document 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.

Sustainability

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.