



EUROPEAN GREEN BOND FACTSHEET

This document and its contents are not subject to any approval or endorsement from ESMA or any other competent authority.

I. General Information

Date of publication	Programme European Green Bond Factsheet dated 7th May 2025
Legal name of Issuer	Iberdrola Finanzas, S.A.U. (the “ Issuer ”), Guaranteed by Iberdrola, S.A. (the “ Guarantor ” or “ Iberdrola ”)
Legal Entity Identifier	Issuer’s LEI: 5493004PZNZWVBOUV388 Guarantor’s LEI: 5QK37QC7NWOJ8D7WVQ45
Contact details	https://www.iberdrola.com/ Iberdrola S.A. Plaza Euskadi 5, 48009, Bilbao (Bizkaia) investor.relations@iberdrola.es
Bonds(s)	<p>“European Green Bonds” or “EuGBs”, issued by the Issuer and guaranteed by Iberdrola under the Euro 30,000,000,000 Guaranteed Euro Medium Term Note Programme (the “Programme”). The base prospectus (the “Base Prospectus”) for the purposes of Article 8 of Regulation (EU) 2017/1129 (as amended, the Prospectus Regulation) is dated 30th May 2024 and is supplemented on 30th July 2024, 5th March 2025 and 1st April 2025, available at: Bonds Overview - Iberdrola.</p> <p>This is a framework European Green Bond Factsheet (the “Programme Factsheet”) which relates to one or more future European Green Bond issuances under the Programme, and has been externally reviewed by the External Reviewer, in accordance with the Regulation (EU) 2023/2631 of the European Parliament and of the Council (the “EuGB Regulation”).</p> <p>Each European Green Bond issued under the Programme will be accompanied by a bond-specific European Green Bond Factsheet (the “Bond-specific Factsheet”), which will include the information of the relevant European Green Bond (such as the ISIN code and name) and will include further detail on the allocation of such European Green Bond’s proceeds in accordance with Article 4 of the EuGB Regulation, at least at sustainable economic activity level.</p>

	Iberdrola ensures that all its outstanding and future Green Bonds, including European Green Bonds ¹ , do not finance any of the activities of the EU Paris Aligned Benchmark (EU PAB) exclusions ² .
Issuance period	The issuance date of European Green Bonds will be specified in each respective Bond-specific Factsheet.
External Reviewer	<p>S&P Global Ratings Europe Ltd (Ireland) is acting as an external reviewer (the “External Reviewer”) for this Programme European Green Bond Factsheet. S&P Global Ratings Europe Ltd (Ireland) will also review each Bond-specific Factsheet and release a ‘Bond-specific External Review’. Information on [.] can be accessed via its website [.] or via the contact details provided below:</p> <p>S&P Global Ratings Europe Part 4th Floor, Styne House Upper Hatch Street Dublin 2 (Ireland) https://www.spglobal.com/ratings/en/index</p>
Competent authority	Commission de Surveillance du Secteur Financier (the “ CSSF ”) is the competent authority approving the Base Prospectus.
2. Important information	
Bond(s) designation	<p>These bonds use the designation ‘European Green Bond’ or ‘EuGB’ in accordance with the EuGB Regulation³.</p> <p>Furthermore, the Issuer’s European Green Bonds also follow the voluntary guidelines in the Green Bond Principles (GBPs⁴) published by the International Capital Markets Association (ICMA) as per Iberdrola’s Green Financing Framework (the “GFF”), published in December 2023⁵.</p>
3. Environmental strategy and rationale	
Statement on impact reporting’s review	For each European Green Bond outstanding and annually until the maturity date ⁶ , the Issuer intends to draw up and make public a European Green Bonds impact report on the environmental impact of the use of the bond proceeds, in accordance with Article 12(1) of the EuGB Regulation. The issuer intends to have such impact report(s) reviewed by an external reviewer, in accordance with Article 12(3) of the EuGB Regulation.
Overview - Alignment of the bonds with the broader environmental	<p>The bonds using the designation “European Green Bond” or “EuGB” contribute to Iberdrola’s broader environmental strategy, including the environmental objective of Climate Change Mitigation (CCM) as referred to in Article 9 of Regulation (EU) 2020/852.</p> <p>Iberdrola is committed to an energy model that priorities the well-being of people and the preservation of the planet. This is rooted in the corporate purpose that inspires the entire</p>

¹ As per ESMA Q&As (December 2024, available [here](#)), European Green Bonds that have been issued under the European Green Bonds Regulation (Regulation (EU) 2023/2631), are not subject to the exclusions of investments referred to in paragraphs 16-18 of the ‘ESMA Guidelines on funds’ names using ESG or sustainability related terms’ available [here](#), because the Guidelines are intended to be read in conjunction with Level 1 legislation such as the European Green Bonds Regulation and should consider the high level of protection guaranteed by the EU legal framework for such investments. However, Iberdrola ensures that EU PAB exclusions apply also to outstanding ICMA Green Bonds.

² Activities referred to as in Article 12 (1) (a-b) and (d-g) of Commission Delegated Regulation (EU) 2020/1818 and as well as meeting Article 12(1, c) of the same Regulation referencing exclusions at issuer level that do not benefit from the ‘look-through’ approach. The Commission Delegated Regulation (EU) 2020/1818 is available [here](#).

³ Regulation (EU) 2023/2631 of the European Parliament and of the Council of 22 November 2023 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (OJ L, 2023/2631, 30.11.2023, ELI: <http://data.europa.eu/eli/reg/2023/2631/oj>).

⁴ [Voluntary Process Guidelines for Issuing Green Bonds \(June 2021\) \(with June 2022 Appendix I\)](#).

⁵ Available [here](#).

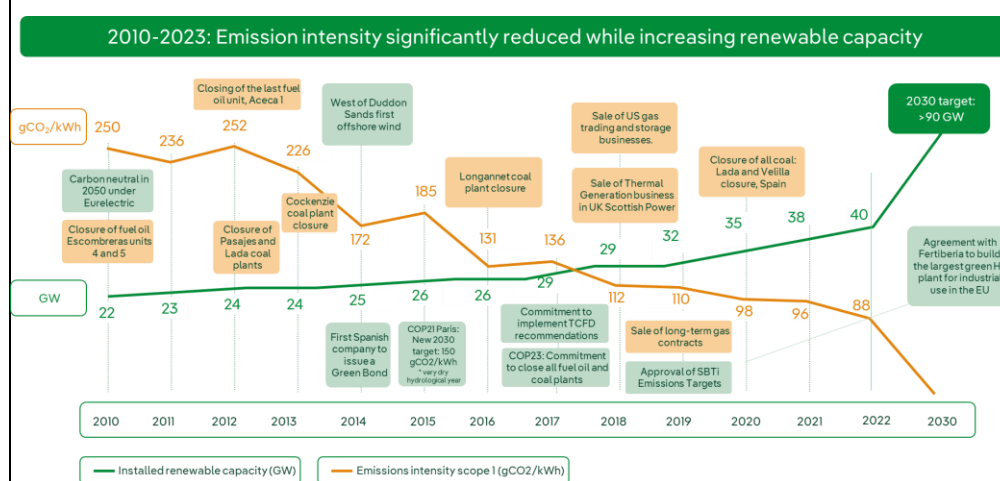
⁶ While the Regulation (EU) 2023/2631 requires impact reporting to be published after full allocation and at least once during the lifetime of the bond, in case the gradual approach is chosen, Iberdrola has decided to keep reporting annually and until bond maturity in accordance with its long-standing green financing approach.

strategy of the Issuer

strategy of the company: *"to continue building together each day a healthier, more accessible energy model, based on electricity"*.

For more than 20 years, in anticipation of the energy transition, Iberdrola has been developing sustainable solutions to support the increasing electrification of the global economy: cleaner energy, more storage capacity, more backup power, more and smarter grids, and more digitisation. Today, Iberdrola is a benchmark in the fight against climate change and has an active presence at the United Nations Climate Change Summits.

Iberdrola has invested more than 140b€ in energy transition since 2000, allowing the transformation of the electric system towards a more decarbonized generation mix, increasing its installed capacity free of emissions and therefore achieving a significant reduction of emissions.

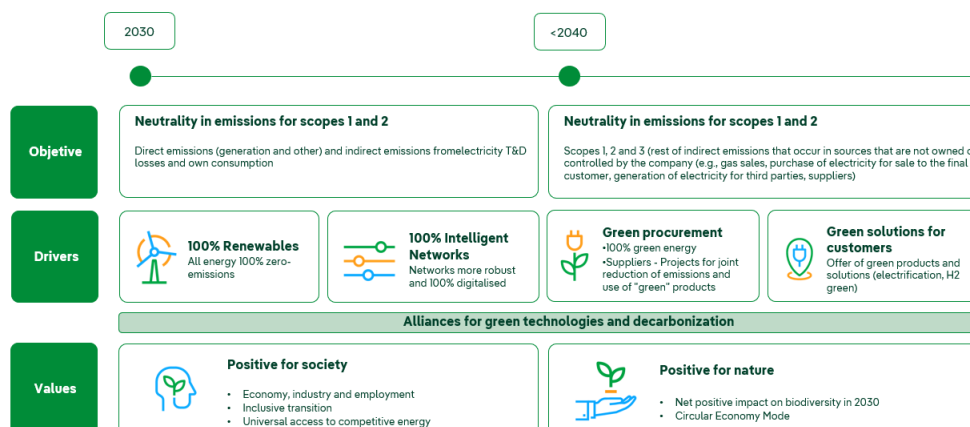


The electricity sector plays a key role in achieving the goal set by the historic Paris Agreement to limit the increase in global temperature to 1.5 °C and to tackle the climate emergency.

In its commitment to the Paris Agreement and the energy transition, Iberdrola's Climate Action Plan establishes an ambitious roadmap with SBTi (Science Based Targets initiative) verified targets of achieving carbon neutrality for scopes 1 and 2 by 2030 and net-zero emissions before 2040 for all scopes, including scope 3 (expressed in carbon dioxide equivalent).

The plan also defines the levers and associated actions that, in turn, contribute to the decarbonisation of the economy, as well as the values, tools and indicators on which the achievement thereof is based.

Key elements of the Climate Action Plan




In addition to the Climate action plan, Iberdrola is addressing the triple environmental challenge: **climate, biodiversity, and raw material crisis**. Iberdrola understands these challenges also as an opportunity for sustainable value creation.



- **Biodiversity:** Iberdrola is committed to protecting and acting for nature, and Iberdrola has strengthened its commitment with the launch of its 2030 Biodiversity Plan. This Plan establishes the mechanisms to achieve the ambitious goal of having a net positive impact on biodiversity by 2030 and to drive the transformation towards an energy model in harmony with nature and human beings.
- **Circular Economy:** Since 2014, Iberdrola has integrated the life cycle approach into its management, which is the basis for the transition to the circular economy. Targets for 2030 such as recycling 100% of dismantled blades or reduction of more than 60% of the water consumption are some examples of the commitment of Iberdrola with the circular economy.

In the coming years, Iberdrola will continue to deploy its business model, with more investments in renewable energy, in smart networks, efficient storage, green hydrogen and innovative solutions for its customers to achieve these above-mentioned targets. Such investments will drive results growth and strengthen its position and leadership, firmly committed to the Sustainable Development Goals (SDGs) of the United Nations, which have been fully incorporated into the business strategy and in particular:

	<ul style="list-style-type: none"> SDG 7: ensuring access to affordable and reliable energy, increasing the share of renewable energy and doubling the global rate of improvement in energy efficiency. SDG 13: taking action to fight climate change increasing clean energy capacity and developing smart grids to allow its integration.  <p>Further information is available at Iberdrola's Sustainable Development Policy.</p> <p>In this context, green financing is a tool perfectly aligned with Iberdrola's strategy, used to develop its investment plan while giving investors the transparency to better allocate their funds and the ability to measure their contribution to sustainability.</p> <p>Iberdrola's green financing instruments, including EuGBs, support the achievement of the Paris Climate Agreement and other national and international target settings for climate change mitigation and the transition to a low-carbon sustainable economy – and as such enable the trajectory of Iberdrola's sustainability strategy.</p>
Link with the assets, turnover, CapEx and OpEx KPIs	<p>An amount equal to the net proceeds raised via European Green Bonds will be used to finance or refinance EU Taxonomy-aligned asset CapEx, therefore, contributing to Iberdrola's EU Taxonomy-aligned investment plan.</p> <ul style="list-style-type: none"> The EU Taxonomy-aligned CapEx indicator best reflects Iberdrola's growth strategy based on smart grids and renewable generation, which are activities on which Iberdrola focuses almost all its investments⁷. In fact, the percentage of EU Taxonomy-aligned CapEx⁸ corresponds to 88.8% (YE2023) and Iberdrola aims to achieve over 90% by 2026. The Issuer and Iberdrola do not intend to allocate any amounts equal to the net proceeds raised via European Green Bonds to OpEx. Iberdrola does not consider the percentage of taxonomy aligned revenue (EU Taxonomy-aligned revenue KPI) to be an accurate reflection of the sustainability of its operations. Therefore, in the case of integrated companies that simultaneously carry out regulated and unregulated distribution activities, in addition to what is required by the regulations, Iberdrola reports on the percentage of revenue alignment in relation to eligible revenue as well as adjusted values that exclude from

⁷ The guidance provided by the Commission Notice of 16 June 2023 referred to in response to question 16 suggests that where the proceeds from the sustainable bond are used to pay for Taxonomy-aligned CapEx, such Capex is already reflected in the GAR/GIR of the financial undertaking. On the other hand, this CapEx is part of the non-financial undertaking's CapEx KPI and would be counted in the GAR/GIR of the financial undertaking for a second time as part of calculation of the financial undertaking's KPI based on the CapEx KPIs of investee undertakings. To avoid double counting, financial undertakings should use an adjusted CapEx KPI that the non-financial undertaking should disclose alongside their non-adjusted KPIs. However, since nearly 90% of the capex plan forecasted by Iberdrola for the period 2023-2025 will be directed to activities that are aligned with the European Union Taxonomy and nearly all bond funding is done in green EUT aligned format, we have not yet disclosed any adjusted CapEx KPI, as there is virtually no difference between the adjusted and the unadjusted KPI.

⁸ Organic Capex, according to the Article 8 of Regulation (EU) 2020/852.

	<p>the denominator the amount paid by the unregulated activity in Spain and the United Kingdom in relation to the cost of access to the electricity networks. The degree of alignment of revenues with the consolidated total is 40.4%, while adjusted for the effect of network access costs it would be 43.6%. In both cases, the proportion of taxonomy-aligned turnover in relation to the taxonomy-eligible turnover would reach 71.7% (YE2023). EU Taxonomy aligned investments financed or refinanced via European Green Bonds indirectly contribute to Iberdrola's taxonomy-aligned turnover.</p>
Link to transition plans	<p>Pursuant of Article 19a(2)(a)(iii) Regulation (EU) 2013/34, Iberdrola adopted its accelerated Climate Transition Plan in 2022 and presented it to the United Nations in 2023. The Plan establishes an ambitious roadmap aimed at achieving zero net emissions of CO2 equivalent by 2040. This Plan outlines the levers and actions available and establishes the associated metrics.</p> <p>The projects (re)financed via European Green Bonds are key levers of the Transition Plan. The information is provided at economic activity/group of project level:</p> <ol style="list-style-type: none"> 100% renewables: Investing in renewable generation, increasing storage capacity and promoting new technologies (such as hybridization and long-term storage). This lever mainly has an impact on Scope 1 emission reductions, while also contributing to Scope 3 emissions. 100% smart grids: Operating a robust grid as an essential pillar of a decarbonized and electrified energy system. By 2025, over 83% are expected to be smart grids. These actions will have an impact on Scope 2 emission reductions, with an indirect impact on Scope 3 emissions. Green solutions for customers: Contributing to the gradual electrification and decarbonisation of energy demand, with actions such as promoting green hydrogen and other derivatives, a sustainable mobility plan, key alliances in green technologies, etc. The main impact will be the reduction in Scope 3 emissions. <p>The Climate Transition Plan is available at: integrated-report-esg-2023-energy-transition-and-climate-action-plan.pdf (iberdrola.com)</p>
Securitization	<p>The European Green Bonds that this Programme European Green Bond Factsheet relates to will not be securitisation bonds.</p>
4. Intended allocation of bond proceeds	
Intended allocation to taxonomy-aligned economic activities	<ul style="list-style-type: none"> An amount equal to the net proceeds raised via the European Green Bonds will be allocated to CapEx in accordance with the gradual approach. These European Green Bonds are not securitisation bonds. The issuer requires 100% of an amount equal to the relevant European Green Bond proceeds to be used for activities that are environmentally sustainable under Article 3 of Regulation (EU) 2020/852, according to the methodology in the allocation report, which will be drawn up and published annually by the Issuer and Iberdrola until the maturity date of the relevant European Green Bond. Further information regarding the allocation of each European Green Bond, as well as the percentage of proceeds that will be used for financing (in the year of issuance or after the issuance) and refinancing (prior to the year of issuance) will be presented in the Bond-specific Factsheet and the precise information will be disclosed in the post-issuance allocation report, which will be externally reviewed. <p>The European Green Bonds will contribute to the environmental objective of climate change mitigation, as referred to in Article 9 of Regulation (EU) 2020/852.</p>

	An amount equal to the net proceeds raised via European Green Bonds are intended to be allocated to one or more of the following economic activities:			
	Economic activity	Type	NACE code	Mapping with Iberdrola's GFF
	4.1 Electricity generation using solar photovoltaic technology	Solar photovoltaic production, using solar PV technology	D35.1.1	Renewable Energy
	4.3 Electricity generation from wind power	Wind energy production (onshore and offshore)	D35.1.1	
	4.5 Electricity generation from hydropower	Hydroelectric facilities, including hydro-pumping stations	D35.1.1	
	4.10 Storage of electricity	Battery Energy Storage Systems (BESS)	_9	
	4.9 Transmission and distribution of electricity	General network investments that facilitate the full decarbonization of the system as defined by the EU Taxonomy	D35.1.2, D35.1.3	Smart Grids
		IT systems supporting network control, demand side response and distributed generation dispatching	D35.1.3	
		Projects intended to support access to energy, especially in areas of lower penetration or isolated and distributed generation	D35.1.3	
	7.3 Installation, maintenance and repair of energy efficiency equipment	Heating electrification as heat pumps Efficiency projects in buildings	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28, S95.21, S95.22, C33.12	Sustainable Customer Solutions
	7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	Smart meters (for gas, heat, cool and electricity)	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28	
	7.6 Installation, maintenance and repair of renewable energy technologies	Distributed generation as Iberdrola's "Smart Solar"	F42, F43, M71, C16, C17, C22, C23, C25, C27, C28	

⁹ The economic activities in this category have no dedicated NACE code as referred to in the statistical classification of economic activities established by Regulation (EC) No 1893/2006.

	<p>7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and in parking spaces attached to buildings)</p> <p>4.9 Transmission and distribution of electricity</p>	<p>EV charging stations</p> <p>Infrastructure for the electrification of transport construction and operation of Electric Vehicle (EV) charging stations and supporting electric infrastructure for the electrification of transport</p>	<p>F42, F43, M71, C16, C17, C22, C23, C25, C27, C28</p> <p>D35.1.3</p>	<p>Electric mobility</p>
Intended allocation to specific taxonomy-aligned economic activities	<p>Amongst the economic activities outlined above, the Issuer and Iberdrola intend to allocate an amount equal to the net proceeds of the European Green Bonds to economic activities that are considered 'enabling'. There will be no allocation towards transitional activities. The Issuer and Iberdrola do not intend to allocate to activities related to nuclear energy and fossil gas.</p> <p>The Issuer and Iberdrola intend that the majority of proceeds be allocated towards economic activities related to renewable energy production or transmission or distribution of electricity and information on the detailed allocation, at least at economic activity level, will be provided in the relevant Bond-specific Factsheet.</p>			
Intended allocation to economic activities not aligned with the technical screening criteria	<p>The proceeds will not be allocated in accordance with Article 5 of the EuGB Regulation to activities which are not fully EU taxonomy aligned. The proceeds will be allocated to projects that are already aligned with the EU taxonomy at the moment that the European Green Bonds are issued.</p> <p>In the case the Technical Screening Criteria of the EU Taxonomy are amended after the issuance of a European Green Bond, the Issuer and Iberdrola will ensure that the allocation of such bond's proceeds will comply with the amended criteria no later than seven years after the date of application of the amended criteria.</p>			
Process and timeline for allocation	<p>The Issuer and Iberdrola will endeavour to complete the full allocation of an amount equal to the European Green Bond's proceeds within 24 months from the issue date of the relevant European Green Bond.</p> <p>The process for evaluation and selection of projects relies on internal expertise:</p> <ul style="list-style-type: none"> • The list of projects is prepared by the Control department, based on internal expertise and their daily coordination with Business units (Renewables, Networks, Sustainable Customer Solutions, Sustainable Mobility). Such list is periodically submitted to the Finance & Treasury department for validation, selection and confirmation that no double-counting exists. • The alignment of the eligible European Green Bond projects to the EU Taxonomy is confirmed to the Finance & Treasury department by the Sustainable Development Team, within the ESG Division. • In respect of the use of proceeds, this is subject to checks by the corresponding business unit, the Control department and the Finance & Treasury department. • The project fulfilment with the additional selection criteria described in Section 8 of this factsheet (Other relevant information: Additional selection criteria) is ensured by different areas, which are contacted by Iberdrola's Finance & Treasury department prior 			

to the selection of the European Green Bond projects for the relevant European Green Bond issuance. These areas confirm both the compliance of the specific projects with these additional selection criteria and the absence of any material controversy in relation to any of them. The participating areas include Compliance, Procurements, Environment, People & Organization, Legal and the ESG Division.

Assessment of activities in scope

Iberdrola has identified and put in place the processes it considers necessary to ensure that projects are aligned with the requirements of the EU Taxonomy Delegated Acts on climate change mitigation (in particular, the Commission Delegated Regulation (EU) 2021/2139), including:

- The eligibility of the activity pursuant to EU Taxonomy Delegated Acts on climate change mitigation.
- The alignment with Substantial Contribution criteria ('SCC').
- The compliance with the Do No Significant Harm criteria ('DNSH').
- The compliance the Minimum Social Safeguards ('MSS').

The Issuer and Iberdrola have mandated an External Reviewer to provide a pre-issuance review report on the compliance of the Programme European Green Bond Factsheet with Annex I of EuGB Regulation, and with the requirements of that regulation concerning the use of proceeds. The External Reviewer has also carried out an assessment of full compliance of the use of proceeds with the EU Taxonomy requirements, as well as full compliance with the Green Bond Principles of the International Capital Markets Association, which can be found in the Appendices to the External Review.

A summary is provided below.

Substantial Contribution to Climate Change Mitigation (CCM):





4.1 Electricity generation using solar photovoltaic technology	Iberdrola's activities include the construction and operation of electricity generation facilities that produce electricity using solar photovoltaic (PV) technology.
4.3 Electricity generation from wind power	Iberdrola's activities include the construction and operation of electricity generation facilities that produce electricity from wind power (onshore and offshore).
4.5 Electricity generation from hydropower	<p>Iberdrola's activities include hydroelectric facilities that comply with either of the following criteria:</p> <ol style="list-style-type: none"> 1. the electricity generation facility is a run-of-river plant and does not have an artificial reservoir; 2. the power density of the electricity generation facility is above 5 W/m²; 3. the life-cycle GHG emissions from the generation of electricity from hydropower, are lower than 100 g CO₂e/kWh.

	4.9 Transmission and Distribution of Electricity	<p><u>General Network investments</u></p> <p>Criterion CCM 1: Iberdrola's activities include networks projects that facilitate the full decarbonization of the system they support. The issuer confirms that the system is the interconnected European system, and the average emissions factor of the system network (5- year moving average) is below the threshold value of 100 g CO₂e/kWh, measured on a life cycle basis.</p> <p><u>Projects intended to support access to energy, especially in areas of lower penetration or isolated</u></p> <p>Criterion CCM 1: Iberdrola's activities include networks projects that facilitate the full decarbonization of the system they support. The issuer confirms that the system is the interconnected European system, and the average emissions factor of the system network (5- year moving average) is below the threshold value of 100 g CO₂e/kWh, measured on a life cycle basis.</p> <p><u>IT systems supporting network control, demand side response and distributed generation dispatching</u></p> <p>Criterion CCM 1: Iberdrola's activities relate to the installation of IT systems for supporting network control, demand side response and distributed generation dispatching. The system is the interconnected European system, and the average emissions factor of the system network (5-year moving average) is below the threshold value of 100 g CO₂e/kWh, measured on a life cycle basis.</p>
	4.10 Storage of electricity	<p>Iberdrola's activities include the construction and operation of facilities that store electricity and return it at a later time in the form of electricity.</p>
	7.3 Installation, maintenance and repair of energy efficiency equipment	<p><u>Heating electrification as heat pumps</u></p> <p>Criterion 2e: Iberdrola's activities cover the installation, replacement, maintenance and repair of heating, ventilation and air conditioning (HVAC) and water heating systems, including equipment related to district heating services, with highly efficient technologies.</p> <p><u>Efficiency projects in buildings (reaching the 30% target)</u></p> <p>Criteria 2a and 2e: Iberdrola's activities include projects that improve the energy efficiency in buildings. The issuer confirms the projects will align with the addition of insulation to existing envelope components, the installation and replacement of energy efficient light sources, installation, replacement, maintenance and repair of heating, ventilation and air conditioning (HVAC) and water heating systems with highly efficient technologies.</p>
	7.4 Installation, maintenance and repair of recharge stations for electric vehicles in	<p><u>Charging stations</u></p>



	buildings (and in parking spaces attached to buildings) And 4.9 Transmission and distribution of electricity	<p>Iberdrola's activities include the construction and operation of charging stations and the associated infrastructure for electric vehicles.</p> <p><u>Associated infrastructure</u></p> <p>Criterion 2b: Iberdrola's activities include the construction and operation of electric vehicle (EV) charging stations and supporting electric infrastructure for the electrification of transport.</p>
	7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	<p><u>Smart meters</u></p> <p>Criterion 1c: Iberdrola's activities include the installation, maintenance and repair of smart meters for gas, heat, cool and electricity.</p>
	7.6 Installation, maintenance and repair of renewable energy technologies	<p><u>Distributed generation as Iberdrola's 'Smart Solar'</u></p> <p>Criteria 1a and 1b: Iberdrola's activities include the installation, maintenance and repair of solar photovoltaic systems as well as solar hot water panel, and the ancillary technical equipment for both technologies.</p>
<p><u>"Do no significant harm" (DNSH) to the other EU environmental objectives:</u></p> <p>The Issuer Iberdrola have confirmed that the relevant DNSH criteria have been met. Iberdrola has carried out a mapping exercise of each DNSH criteria per economic activity.</p> <p><u>Minimum Safeguards:</u></p> <p>The Issuer and Iberdrola, as companies operating under EU legislation, have ensured the respect of minimum safeguards criteria according to Article 18 of the EU Taxonomy Regulation (OECD guidelines for Multinational Enterprises (MNE), United Nations Guiding Principles on Business and Human Rights (UNGPs), the eight ILO conventions on fundamental principles and rights at work, and the international bill of human rights). The Issuer's and Iberdrola's specific documents also make specific reference to such international standards and reaffirm its commitment to promote and support all the values and principles established by international human rights institutions.</p> <p>Regarding the management of proceeds, the Issuer and Iberdrola consider it essential to avoid double counting and assure transparency. As a result, the Issuer and Iberdrola have established a dedicated process to ensure traceability of funds.</p> <p>Upon receipt, the proceeds will be managed by Iberdrola's Financing and Treasury Department. This department is responsible for the allocation of green financing instrument proceeds to an eligible project, selected in line with the project evaluation and selection criteria.</p> <p>Unallocated proceeds will be temporarily held in any form of cash, time deposit with banks or other form of available short term liquid funding sources and will not be invested in GHG intensive or [controversial] activities. The Issuer and Iberdrola will endeavour to complete</p>		

	<p>the allocation of the green financing instrument proceeds within 24 months from the instrument issue date.</p> <p>The Issuer and Iberdrola will endeavour to perform an external assurance of the invested capital once the corresponding proceeds are allocated from the accounting and treasury records to check the correct use of proceeds.</p>
Issuance costs	The Issuer will fully allocate an amount equal to the net proceeds amount of the bond(s) as indicated in the Final Terms of the European Green Bonds.
5. Environmental impact of bond proceeds	
Estimate of the anticipated impacts	<p>Given that (i) the projects that the proceeds of a European Green Bond will be allocated to will be defined on a future date upon the issuance of such European Green Bond, and (ii) some of the projects could be still under construction or even inception, it is difficult to forecast production in the coming years, as well as the environmental benefits derived from that production, the information on the environmental impacts of the bond proceeds will be provided in the post-issuance impact report, annually and until the maturity date of the relevant European Green Bond in accordance with i) Article 12(l) of the EuGB Regulation¹⁰, ii) Iberdrola's GFF and iii) best market practices. The list of impact indicators is made available in Section 6) below 'Information on reporting' as well as Iberdrola's GFF.</p>
6. Information on reporting	
Link to the reports	<p>The Issuer and Iberdrola expect to publish the following information in the allocation report on a project-by-project level, annually until maturity of the European Green Bonds.</p> <ul style="list-style-type: none"> a) List of projects with individual information. b) Total funds allocation (with breakdown per economic activity and ICMA category). c) When the net proceeds are used for refinancing purposes, Iberdrola will report on the share of refinancing at the moment the relevant bond is issued. <p>The Issuer and Iberdrola expect to publish post issuance information in the impact report through the following indicators at project level:</p> <ul style="list-style-type: none"> a) Name b) Type of the project c) Country d) Description e) Physical indicator f) Annual attributable GHG emissions avoided (tCO₂e per year)

¹⁰ While the Regulation (EU) 2023/2631 requires impact reporting to be published after full allocation and at least once during the lifetime of the bond, in case of gradual approach is chosen, Iberdrola has decided to keep reporting annually and until bond maturity in accordance with its long-standing green financing approach.

Type of Project	SDG	Impact Reporting Indicators
Smart grids	  <p>Affordable and clean energy and Climate Change mitigation</p>	<p>Per project:</p> <ul style="list-style-type: none"> Name Type of project (IT systems, Smart meters, Access to energy, Demonstration projects, General networks investment) Country Description Physical indicator i.e. <ul style="list-style-type: none"> T&D lines (total and attributable km of lines) IT Capex Telecommunicated substations (total and attributable number) Smart meters (total and attributable number) Number of new connections In case of lines related to new renewable capacity: <ul style="list-style-type: none"> When applicable and possible, amount of renewable generation capacity connected by the T&D asset (MWh) Related annual renewable energy produced by the capacity connected by the T&D asset (MWh) Annual GHG emissions avoided by the renewable generation capacity connected by the T&D asset (tCO₂e per year) <p>For the category:</p> <ul style="list-style-type: none"> Invested capital attributable to the EuGB (€) Percentage of allocated proceeds vs unallocated proceeds (if there are) (%)
Renewable energy	  <p>Affordable and clean energy and Climate Change mitigation</p>	<p>Per installation:</p> <ul style="list-style-type: none"> Name Type of project (wind onshore, wind offshore, hydroelectric, solar) Country Operational date Installed capacity (MW) or lifetime extension (years) Attributable capacity (MW) or attributable lifetime extension (years) to the financing instrument <p>For each category:</p> <ul style="list-style-type: none"> Invested capital attributable to the EuGB (€) Annual attributable renewable energy produced (MWh) Annual attributable GHG emissions avoided (tCO₂e¹¹ per year) Percentage of allocated proceeds vs unallocated proceeds (if there are) (%)

¹¹ Avoided emissions are calculated as the product of the year's production attributable to the bonds and the emission factor for the country in which the assets are geographically located.

	<p>Sustainable Customer Solutions</p>  <p>Affordable and clean energy and Industry, innovation and infrastructure</p> <p>Per project:</p> <ul style="list-style-type: none"> Name Type of project (Heating electrification, Buildings' efficiency, Distributed generation, Demand side response infrastructure) Country Description Physical indicator i.e. <ul style="list-style-type: none"> Number of installations Buildings' surface or energy savings Installed capacity in MW <p>For the category:</p> <ul style="list-style-type: none"> Invested capital attributable to the EuGB (€) Percentage of allocated proceeds vs unallocated proceeds (if there are) (%)
	<p>Electric Mobility</p>  <p>Affordable and clean energy and Industry, innovation and infrastructure</p> <p>Per project:</p> <ul style="list-style-type: none"> Name Type (Charging stations, Associated infrastructure) Country Description Physical indicator i.e. <ul style="list-style-type: none"> Number of charging stations kW installed at charging stations <p>For the category:</p> <ul style="list-style-type: none"> Invested capital attributable to the EuGB (€) Percentage of allocated proceeds vs unallocated proceeds (if there are) (%) Annual attributable GHG emissions avoided (tCO₂e¹² per year)
	<ul style="list-style-type: none"> Link to the issuer's website as required by Article 15(1) of the EuGB Regulation: Green Finance - Iberdrola Other relevant reports can be found at: https://www.iberdrola.com/corporate-governance/governance-sustainability-system The first reporting period starts on the relevant European Green Bond's issuance date. Iberdrola will publicly disclose the impact methodology and assumptions on those reporting indicators.
7. Capex Plan	
Applicability	No CapEx plan referred to in Article 7 of the EuGB Regulation is applicable as Iberdrola will allocate the proceeds only to activities that are already fully aligned with the EU Taxonomy.
8. Other relevant information	
<ul style="list-style-type: none"> European Green Bonds issued by Iberdrola are also meeting the voluntary guidance defined in its GFF (December 2023), which has been externally reviewed via a Second Party Opinion (SPO). The GFF and the corresponding SPO can be found at: Green Finance - Iberdrola Iberdrola has defined additional selection Criteria for its European Green Bond projects: The project must comply with the selection criteria listed below (as per Iberdrola's GFF (December 2023)): 	

¹² Avoided emissions are calculated as the product of the year's production attributable to the bonds and the emission factor for the country in which the assets are geographically located.

Code	Criteria	Commitment / Supporting documentation	SDG	Area	Assurance Level
1	Promotion of equal opportunities	Measurement and analysis of women trend in workforce (Management team, Middle managers and skilled technicians)	5	Social Dimension	Corporate
2	Promotion of access to energy	Energy access implementation programs	7	Social Dimension	Corporate
3	Biodiversity	Approved biodiversity politics and biodiversity specific plan	14, 15	Environment Protection	Corporate
4	Environmental management at design phase	Environmental Impact Assessment based on local regulation, and implementation of appropriate measures to limit, mitigate or compensate negative impacts (environmental specifications) covering at project lifecycle (from design to dismantling)	14, 15	Environment Protection	Project
5	Environmental management at construction phase including Supply Chain	Environmental specifications adequately reflected in the contracts with suppliers	14, 15	Environment Protection	Corporate / Project
6	Environmental management during operations	Project operated within an environmental management system implemented, audited, with targets, guidelines and appropriate monitoring to report (i.e. ISO 14001)	14, 15	Environment Protection	Project
7	Environmental accidents prevention and control	Existence of accidental pollution emergency plans	14, 15	Environment Protection	Project
8	Promote Sustainability practices amongst suppliers	Assessment of the significant suppliers' ESG performances	8	Long Term Value Creation	Corporate
9	Monitor procurement procedures acceptance and Sustainable procurement and Business Ethics	ISO 9001 certification of procurements procedures	8	Long Term Value Creation	Corporate
10	Quality of Health & Safety (H&S) and Employment conditions	Safety risk assessment, implementation of appropriate measures for employees and contractors Existence of H&S monitoring indicators (i.e. Frequency index, Incidence index, Severity index) Training hours in prevention of occupational risk)	8	Social Dimension	Business Unit / Project
11	R&D Investment	R&D investment (b€)	9	Long Term Value Creation	Corporate
12	Sustainable local insertion	Dialogue with local stakeholders during construction and operational phases via monitoring and analysis of fines, penalties, procedures, arbitrations, complaints, etc.	11	Social Dimension	Project
13	Supporting local communities and their economies	Promotion of local purchases and/or local employment (expenditures on local suppliers)	11	Social Dimension	Corporate
14	Fight against climate change by producing clean energy	Contribution of the asset to avoid/reduce CO ₂ emissions	13	Environment Protection	Project
15	Environmental footprint	Elaboration of studies to improve understanding of environmental footprint	14, 15	Environment Protection	Corporate / Business Unit

16	Carbon footprint	Reduction of emissions intensity (CO ₂ /GWh) respect a base year	13	Environment Protection	Corporate
17	Increase awareness and knowledge on environmental aspects	Existence of environmental knowledge among all categories, based on the internal procedure of training and environmental profiles	14, 15	Environment Protection	Corporate / Project
18	Protection of biodiversity	Mitigation or corrective actions implemented in case of biodiversity incident	14, 15	Environment Protection	Project
19	Promotion of business ethics	Training plan that includes specific ethics programs	16	Long Term Value Creation	Corporate
20	Monitor internal and external respect for Human Rights	Existence of communication and complaint channels enabled in the Group and available for all Group professionals and suppliers	16	Social Dimension	Corporate
21	Training of employees on Human Rights	Training activities that include specific Human Rights aspects	16	Social Dimension	Corporate
22	Promotion of Human Rights	Adherence to UN Global Compact	16	Social Dimension	Corporate
23	Contribution to the respect of Human Rights	Inclusion of human rights clauses in the general conditions of Iberdrola contracts Existence of a human rights risk analysis in main activity countries (Spain, UK, USA, Brazil and Mexico)	16	Social Dimension	Corporate
24 ¹³	Energy consumption CO ₂ emissions	In case of hydro-pumping stations, Electric Mobility and Green H ₂ manufacturing and supply, measurement the CO ₂ footprint of the consumed electricity, achieving a maximum threshold	7	Environment Protection	Project

¹³ Just for hydro-pumping stations, Electric Mobility and H₂ Manufacturing facilities.