

Iberdrola and Microsoft strengthen their partnership with two long-term PPAs for 150 MW and the use of new global AI solutions

- *Iberdrola will continue to leverage the Azure cloud and Microsoft's data and AI products to speed up implementation of AI across the Group*
- *These PPAs, the first signed by the two companies in Europe, cover the Iglesias (Burgos) and El Escudo (Cantabria) wind farms in Spain and are in addition to the three PPAs already in force in the United States (in California, Ohio and Washington), to a total of around 500 MW*

Microsoft and Iberdrola today announced a new partnership to deepen their work together on energy and artificial intelligence projects. The partnership builds on the success of previous initiatives and includes the signing of two long-term power purchase agreements (PPAs) in Spain, the first that the two companies have signed in Europe.

The agreement envisages expanding the use of Microsoft's Azure computing and cloud platform, the deployment of Microsoft Copilot and security and regulatory compliance solutions to boost Iberdrola's digital capabilities and promote the use of AI throughout the Group.

Iberdrola has already migrated critical systems from different business areas to the Azure cloud, demonstrating its firm commitment to innovation and operational resilience.

The two new PPAs in Spain, totalling 150 MW of contracted power, include the purchase of electricity from the Iglesias wind farm (in Burgos) and the El Escudo wind farm (in Cantabria). These contracts enable Microsoft to advance its goal of operating with 100% renewable energy in Europe, in line with its global commitments.

They have been added to the three existing PPAs signed by Microsoft and Avangrid, Iberdrola's US subsidiary, between 2021 and 2025, which include Powell Creek Solar (in Ohio), Camino Solar (California) and the Juniper Canyon wind farm (Washington). In total, the companies have PPA contracts for around 500 MW of capacity in the United States and Europe.

The partnership will also explore opportunities for work together supplying renewable energy, the use of waste heat in Spain — such as using heat from data centres in Zaragoza — electrified land, carbon credits and technological innovations such as hydrogen, battery storage and other solutions, together with Iberdrola and its subsidiaries in Europe, the US, Brazil and Australia.

‘This partnership with Iberdrola is a strong commitment to speeding up the energy transition and digital transformation in the industry. By combining Iberdrola's leadership in renewable

energy with Microsoft's cutting-edge cloud and AI technologies, we're not only advancing our sustainability goals, we're also driving innovation and resilience for our customers and communities. Together, we're setting a new standard for how technology and energy can drive positive change at scale', said Samer Abu-Ltaif, President of Microsoft for Europe, the Middle East and Africa.

'This partnership will accelerate the adoption of AI across the Iberdrola Group to strengthen our leading digital capabilities and expand our renewable PPA portfolio with Microsoft, in line with both companies' strong commitment to combining major growth in electricity consumption with full decarbonisation. We're pleased to announce today the signing of our first two PPAs in Europe, expanding our global partnership', said Aitor Moso, director of Iberdrola's global customer business.

About Iberdrola

With a market capitalisation of more than €120B, Iberdrola is Europe's largest electricity company and one of the two largest worldwide. The Group serves more than 100 million people around the globe and has a workforce of more than 46,000 employees and assets exceeding €160B. In 2024, Iberdrola recorded revenues of almost €50B and a net profit of €5.6B. The company contributes nearly €10.3B in taxes in the countries where it operates and supports more than 500,000 jobs among its suppliers thanks to purchases that exceeded €18B in 2024.

Since 2001, Iberdrola has invested more than €175B in electricity grids, renewable energies and energy storage to contribute to the creation of an energy model based on electrification. The company has nearly 1.4 million kilometres of electricity grids in the United States (New York, Connecticut, Maine and Massachusetts), the United Kingdom (Scotland, England and Wales), Brazil (the states of Bahia, Rio Grande do Norte, Pernambuco, São Paulo and Mato Grosso do Sul, as well as Brasília) and Spain, as well as 57,000 MW of capacity worldwide, of which more than 45,000 MW is renewable.

Iberdrola is, for the second consecutive year, the leader in the European PPA market, according to the Pexapark Renewables Market Outlook 2025 report.