

Iberdrola renews distribution concessions in Brazil and doubles investments in the next 5 years to R\$50 Bn (c. €9 Bn)

- *The signing of these three renewals adds to the one previously obtained for Neoenergia Pernambuco until 2060 and to the concession for the Federal District of Brasília, granted in 2021 through to 2045*
 - *The new investment cycle will drive the expansion, modernisation and digitalisation of networks to advance the electrification of the economy and contribute to industrial and social development*
 - *The Group consolidates its position as the largest investor in the sector and the private company that has invested the most in infrastructure in the country*
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Iberdrola has formalised the early renewal of three electricity distribution concessions in Brazil and, through its subsidiary Neoenergia, is launching a new investment cycle in networks of close to 50 billion reais (close to 9 billion euros) through to 2030.

The new plan almost doubles the 27.5 billion reais invested over the last five-year period (2021–2025) and ushers in a new phase of growth based on the expansion, modernisation and digitalisation of electricity infrastructure.

Iberdrola's Executive Chairman, Ignacio Galán, highlighted the Brazilian Government's management of the renewal of energy distributors' concessions in the country. "This is an event of enormous importance for the electricity sector: it strengthens legal and contractual certainty and consolidates a stable and predictable regulatory environment—exactly what provides the confidence and predictability for international investors to expand their commitments in Brazil."

For Galán, "the predictability provided by the renewal will also make it possible to place orders for the equipment and materials required, which will boost industry and employment in Brazil at a time of intense global competition driven by electrification."

"In a world where electrification is essential to drive social and economic development, as well as self-sufficiency, competitiveness and sustainability, electricity networks are absolutely crucial," Ignacio Galán said.

The new cycle is being launched following the signing of the early renewal of the concessions of Neoenergia Coelba (Bahia), Neoenergia Cosern (Rio Grande do Norte) and Neoenergia Elektro (São Paulo and Mato Grosso do Sul). The extensions, which run for 30 years, add to the renewal obtained in 2025 for Neoenergia Pernambuco, in force until 2060, and to the original concession for the Federal District of Brasília (Neoenergia Brasília), granted in 2021 through to 2045.

The early renewal recognises the strength of the Group's management and guarantees a stable and predictable framework to continue investing, with a focus on customers and on the continuous improvement of service through technologies that increase the security and efficiency of the grid.

This investment effort will drive the digitalisation of the networks, strengthen supply quality and expand its capacity to meet growing energy demand. In this way, the Group contributes to advancing the electrification of the economy and to the country's industrial and social progress.

Over the last four years, Neoenergia has also been the private company that has invested the most in infrastructure in Brazil, according to the Brazilian Association of Infrastructure and Basic Industries (Abdib). In 2025, total Group investments in Brazil reached 30 billion reais, including organic investments and the acquisition of minorities in Neoenergia.

Serving a population of 40 million people, Neoenergia is Brazil's leading power distribution group and is present in 18 Brazilian states and in the Federal District, with more than 750,000 kilometres of distribution lines, 8,000 kilometres of transmission lines and 4,000 MW of renewable generation capacity, mainly hydroelectric.

About Iberdrola

Having surpassed €138 billion in market capitalisation, Iberdrola is Europe's largest electricity company and one of the world's two largest. The Group serves more than 100 million people worldwide and has a workforce of 45,400 employees and assets of €161 billion. In 2025, Iberdrola reported record net profit of €6.285 billion. The company contributes close to €10.4 billion in tax contributions in the countries where it operates and supports more than 500,000 jobs across the entire supply chain, thanks to €13.2 billion in purchases from tens of thousands of suppliers.

Since 2001, Iberdrola has invested more than €175 billion in power grids, renewables and energy storage to help build an energy model based on electrification. The company operates nearly 1.4 million km of power networks in the United States (New York, Connecticut, Maine and Massachusetts), the United Kingdom (Scotland, England and Wales), Brazil (Bahia, Rio Grande do Norte, Pernambuco, São Paulo and Mato Grosso do Sul, as well as Brasília) and Spain, and has 58,000 MW of capacity worldwide, of which more than 46,000 MW are renewable.