Iberdrola, S.A.

Selected condensed separate interim financial information and Interim management report

Six-month period ended 30 June 2026

Report on Limited Review of Iberdrola, S.A.

(Together with the selected condensed separate interim financial statements and the interim management report of Iberdrola, S.A. for the six-month period ended 30 June 2026)

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

KPMG Auditores, S.L.
Torre Iberdrola
Plaza Euskadi, 5
Planta 17
48009 Bilbao

Report on Limited Review of the Selected Condensed Separate Interim Financial Statements

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the Shareholders of Iberdrola, S.A., commissioned by the Directors of the Company

REPORT ON LIMITED REVIEW OF THE SELECTED CONDENSED SEPARATE INTERIM FINANCIAL STATEMENTS

Introduction

We have carried out a limited review of the accompanying selected condensed separate interim financial statements (the "interim financial statements") of Iberdrola, S.A. (the "Company"), which comprise the statement of financial position at 30 June 2026, and the income statement, statement of changes in equity, statement of cash flows for the six-month period then ended, and explanatory notes. The Directors of the Company are responsible for the preparation of these interim financial statements in accordance with the accounting principles and the content envisaged in articles 12 and 13 of Royal Decree 1362/2007 of 19 October 2007 and in Circular 3/2018 of the Spanish National Securities Market Commission (CNMV). Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of Review

We conducted our limited review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

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(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Conclusion

Based on our limited review, which can under no circumstances be considered an audit, nothing has come to our attention that causes us to believe that the accompanying interim financial information for the six-month period ended 30 June 2026 has not been prepared, in all material respects, in accordance with the accounting principles and content envisaged in articles 12 and 13 of Royal Decree 1362/2007 and in Circular 3/2018 as regards the preparation of condensed interim financial information.

Emphasis of Matter

We draw your attention to the accompanying note 2, which states that the interim financial statements do not include all the information that would be required in a complete set of interim financial statements prepared in accordance with the Spanish General Chart of Accounts. The accompanying interim financial statements should therefore be read in conjunction with the Company's annual accounts for the year ended 31 December 2025. This matter does not modify our conclusion.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The accompanying interim management report for the six-month period ended 30 June 2026 contains such explanations as the Directors of the Company consider relevant with respect to the significant events that have taken place in this period and their effect on the interim financial statements, as well as the disclosures required by article 15 of Royal Decree 1362/2007. The interim management report is not an integral part of the interim financial statements. We have verified that the accounting information contained therein is consistent with that disclosed in the interim financial statements for the six-month period ended 30 June 2026. Our work is limited to the verification of the interim directors' report within the scope described in this paragraph and does not include a review of information other than that obtained from the accounting records of Iberdrola, S.A.

Other Matter

This report has been prepared at the request of the Directors in relation to the publication of the half-yearly financial report required by article 100 of Law 6/2023 of 17 March 2023 on Securities Markets and Investment Services.

KPMG Auditores, S.L.

On the Spanish Official Register of Auditors ("ROAC") with No. S0702

(Signed on original in Spanish)

David España Martín

24 July 2026

IBERDROLA, S.A.

SELECTED CONDENSED SEPARATE INTERIM FINANCIAL INFORMATION AND

INTERIM MANAGEMENT REPORT

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

Contents

Translation of Financial information originally issued in Spanish and prepared in accordance with accounting principles generally accepted in Spain (see Note 13). In the event of discrepancy, the Spanish-language version prevails.

IBERDROLA, S.A.

Statement of financial position at 30 June 2026

Set out below is the statement of financial position at 30 June 2026 and 31 December 2025, in millions of euros:

ASSETS	Note	30.06.2026 (unaudited)	31.12.2025 (*) (audited)
Intangible assets		**157**	**141**
Computer software		157	141
Property, plant and equipment		**295**	**302**
Land and buildings		208	210
Plant and other items of property, plant and equipment		87	92
Non-current investments in group companies and associates		**53,414**	**53,425**
Equity instruments	5	53,245	53,264
Loans to companies	6, 11	127	127
Derivatives	6, 11	42	34
Non-current investments	**6**	**2**	**2**
Loans to third parties		2	2
Deferred tax assets		**544**	**373**
Non-current trade and other receivables	**8.4**	**265**	**320**
Total non-current assets		**54,677**	**54,563**
Current trade and other receivables		**1,243**	**1,049**
Trade receivables, group companies and associates		189	38
Other receivables		28	15
Personnel		0	1
Current tax assets		956	971
Other taxes receivable		70	24
Current investments in group companies and associates	**6, 11**	**29**	**12**
Loans to companies		17	4
Derivatives		5	2
Other financial assets		7	6
Current investments	**6**	**74**	**59**
Derivatives		20	30
Other financial assets		54	29
Current prepayments		**9**	**7**
Total current assets		**1,355**	**1,127**
Total assets		**56,032**	**55,690**

(*) The statement of financial position at 31 December 2025 is presented for comparative purposes only.

The accompanying Notes are an integral part of this selected condensed separate interim financial information.

Translation of Financial information originally issued in Spanish and prepared in accordance with accounting principles generally accepted in Spain (see Note 13). In the event of discrepancy, the Spanish-language version prevails.

Statement of financial position at 30 June 2026

LIABILITIES	Note	30.06.2026 (unaudited)	31.12.2025 (*) (audited)
Capital and reserves		**33,721**	**38,283**
Capital		**5,068**	**5,011**
Registered capital	7	5,068	5,011
Share premium		**18,347**	**18,405**
Reserves		**1,696**	**1,739**
Legal and bylaw reserves		1,002	969
Other reserves		694	770
Treasury shares and own equity investments		**(6,608)**	**(2,542)**
Prior years' profit and loss		**15,303**	**13,680**
Retained earnings		15,303	13,680
Profit/(loss) for the period and for the year		**(124)**	**1,931**
Other equity instruments		**39**	**59**
Valuation adjustments		**1**	**4**
Hedging instruments		**1**	**4**
Total equity		**33,722**	**38,287**
Non-current provisions		**285**	**478**
Obligations in respect of non-current employee benefits		137	144
Other provisions		148	334
Non-current payables	**6**	**487**	**208**
Bank borrowings		421	141
Finance lease payables		42	43
Derivatives		4	10
Other financial liabilities		20	14
Payables to group companies and associates, non-current	**6, 11**	**10,586**	**10,967**
Deferred tax liabilities		**1,282**	**1,198**
Total non-current liabilities		**12,640**	**12,851**
Current provisions		**0**	**1**
Current payables	**6**	**3,342**	**1,272**
Bank borrowings		3,183	1,214
Finance lease payables		3	3
Derivatives		125	9
Other financial liabilities		31	46
Current payables to group companies and associates	**6, 11**	**6,223**	**3,142**
Trade and other payables		**105**	**137**
Suppliers, group companies and associates		16	17
Other payables		58	54
Personnel (salaries payable)		15	28
Current tax liabilities		2	0
Other taxes payable		14	38
Total current liabilities		**9,670**	**4,552**
Total equity and liabilities		**56,032**	**55,690**

(*) The statement of financial position at 31 December 2025 is presented for comparative purposes only.

The accompanying Notes are an integral part of this selected condensed separate interim financial information.

Translation of Financial information originally issued in Spanish and prepared in accordance with accounting principles generally accepted in Spain (see Note 13). In the event of discrepancy, the Spanish-language version prevails.

Income statement for the six-month period ended 30 June 2026

Set out below is the income statement for the six-month periods ended 30 June 2026 and 30 June 2025, in millions of euros:

	Note	30.06.2026 (unaudited)	30.06.2025 (*) (audited)
Continuing operations			
Revenue	**9.1**	**257**	**1,151**
Finance income from equity investments in group companies and associates	11	6	913
Finance income from marketable securities and other financial instruments of group companies and associates	11	13	13
Income from services rendered to group companies	11	238	225
Own work capitalised		**6**	**5**
Other operating income		**3**	**1**
Non-trading and other operating income		3	1
Personnel expenses		**(94)**	**(107)**
Salaries, wages and similar items		(65)	(77)
Employee benefits expense		(29)	(30)
Other operating expenses		**(153)**	**(140)**
External services		(151)	(137)
Taxes	8.3	0	(1)
Other current management expenses		(2)	(2)
Amortisation and depreciation		**(41)**	**(33)**
Impairment and gains or losses on disposals of financial instruments from group companies and associates		**4**	**(14)**
Impairment and losses	5	4	(14)
Operating income		**(18)**	**863**
Finance income		**42**	**53**
From transferable securities and other third-party financial instruments		42	53
Finance expenses		**(206)**	**(245)**
Due to borrowings from group companies and associates	11	(231)	(232)
Due to third-party borrowings		(17)	(5)
Restatement of provisions		42	(8)
Change in fair value of financial instruments		**(155)**	**138**
Fair value through profit and loss		(155)	138
Exchange differences		**(2)**	**10**
Net finance income/(expense)		**(321)**	**(44)**
Profit/(loss) before tax		**(339)**	**819**
Income tax	**8**	**215**	**68**
Profit/(loss) for the period from continuing operations		**(124)**	**887**
Profit/(loss) for the period		**(124)**	**887**

(*) The income statement for the six-month period ended 30 June 2025 is presented for comparison purposes only.

The accompanying Notes are an integral part of this selected condensed separate interim financial information.

Translation of Financial information originally issued in Spanish and prepared in accordance with accounting principles generally accepted in Spain (see Note 13). In the event of discrepancy, the Spanish-language version prevails.

Statement of changes in equity for the six-month period ended 30 June 2026

A) Statement of recognised income and expense for the six-month period ended 30 June 2026

Set out below is the statement of recognised income and expense at 30 June 2026 and 30 June 2025, in millions of euros:

sin dato	30.06.2026 (unaudited)	30.06.2025 (*) (audited)
Profit/(loss) for the period	**(124)**	**887**
Income and expense recognised directly in equity		
Hedging costs	(30)	5
Tax effect	7	(1)
Total income and expense recognised directly in equity	**(23)**	**4**
Amounts transferred to the income statement		
Hedging costs	26	4
Tax effect	(6)	(1)
Total amounts transferred to the income statement	**20**	**3**
Total recognised income and expense	**(127)**	**894**

(*) The statement of recognised income and expense for the six-month period ended 30 June 2025 is presented for comparison purposes only.

The accompanying Notes are an integral part of this selected condensed separate interim financial information.

Translation of Financial information originally issued in Spanish and prepared in accordance with accounting principles generally accepted in Spain (see Note 13). In the event of discrepancy, the Spanish-language version prevails.

B) Statement of changes in equity for the six-month period ended 30 June 2026

Set out below is the statement of changes in equity at 30 June 2026 and 30 June 2025, in millions of euros:

sin dato	Capital	Share premium	Reserves	Treasury shares and own equity investments	Prior years' profit and loss	Profit/ (loss) for the period and for the year	Other equity instruments	Valuation adjustments	Total
Balance at 01.01.2025 (audited)	**4,773**	**13,777**	**1,635**	**(2,310)**	**11,962**	**5,652**	**45**	**(4)**	**35,530**
Total recognised income and expense	**0**	**0**	**0**	**0**	**0**	**887**	**0**	**7**	**894**
Transactions with shareholders or owners	**57**	**(57)**	**(2)**	**(963)**	**5,204**	**(5,652)**	**0**	**0**	**(1,413)**
Scrip issue (Note 7)	57	(57)	0	0	0	0	0	0	0
Distribution of earnings	0	0	0	0	5,204	(5,652)	0	0	(448)
Transactions with treasury shares or own equity instruments (net)	0	0	29	(963)	0	0	0	0	(934)
Other transactions with shareholders or owners	0	0	(31)	0	0	0	0	0	(31)
Other changes in equity	**0**	**0**	**(26)**	**0**	**0**	**0**	**(11)**	**0**	**(37)**
Balance at 30.06.2025 (*) (unaudited)	**4,830**	**13,720**	**1,607**	**(3,273)**	**17,166**	**887**	**34**	**3**	**34,974**

sin dato	Capital	Share premium	Reserves	Treasury shares and own equity investments	Prior years' profit and loss	Profit/ (loss) for the period and for the year	Other equity instruments	Valuation adjustments	Total
Balance at 01.01.2026 (audited)	**5,011**	**18,405**	**1,739**	**(2,542)**	**13,680**	**1,931**	**59**	**4**	**38,287**
Total recognised income and expense	**0**	**0**	**0**	**0**	**0**	**(124)**	**0**	**(3)**	**(127)**
Transactions with shareholders or owners	**57**	**(57)**	**1**	**(4,066)**	**1,623**	**(1,931)**	**0**	**0**	**(4,373)**
Scrip issue (Note 7)	57	(57)	0	0	0	0	0	0	0
Distribution of earnings (Note 7)	0	0	33	0	1,623	(1,931)	0	0	(275)
Transactions with treasury shares or own equity instruments (net)	0	0	1	(4,066)	0	0	0	0	(4,065)
Transactions with shareholders or owners (Note 7)	0	0	(33)	0	0	0	0	0	(33)
Other changes in equity	**0**	**(1)**	**(44)**	**0**	**0**	**0**	**(20)**	**0**	**(65)**
Balance at 30.06.2026 (unaudited)	**5,068**	**18,347**	**1,696**	**(6,608)**	**15,303**	**(124)**	**39**	**1**	**33,722**

(*) The statement of changes in equity for the six-month period ended 30 June 2025 is presented for comparison purposes only.

The accompanying Notes are an integral part of this selected condensed separate interim financial information.

Translation of Financial information originally issued in Spanish and prepared in accordance with accounting principles generally accepted in Spain (see Note 13). In the event of discrepancy, the Spanish-language version prevails.

Statement of cash flows for the six-month period ended 30 June 2026

Set out below is the statement of cash flows for the six-month periods ended 30 June 2026 and 30 June 2025, in millions of euros:

	Note	30.06.2026 (unaudited)	30.06.2025 (*) (unaudited)
Profit/(loss) for the year before tax		**(339)**	**819**
Adjustments for:		**353**	**(818)**
Amortisation and depreciation		41	33
Impairment	5	(4)	14
Finance income		(61)	(979)
Finance expenses		206	245
Exchange differences		2	(10)
Change in fair value of financial instruments		155	(138)
Other income and expenses		14	17
Changes in operating assets and liabilities		**(245)**	**(210)**
Trade and other receivables		(213)	(160)
Trade and other payables		(32)	(50)
Other cash flows from operating activities		**(255)**	**32**
Interest paid		(258)	(8)
Dividends received		6	120
Interest received		2	0
Income tax proceeds/(payments)		88	0
Other proceeds/(payments)		(93)	(80)
Cash flows from operating activities		**(486)**	**(177)**
Payments for investments		**(116)**	**(1,920)**
Group companies and associates		0	(1,831)
Intangible assets		(33)	(46)
Property, plant and equipment		(27)	(2)
Other financial assets		(56)	(41)
Proceeds from investments		**30**	**131**
Group companies and associates		0	18
Intangible assets		0	31
Property, plant and equipment		0	9
Other financial assets		30	73
Cash flows from investing activities		**(86)**	**(1,789)**
Proceeds from and payments for equity instruments		**(1,896)**	**(1,540)**
Acquisition of own equity instruments		(2,034)	(1,627)
Disposal of own equity instruments		138	87
Proceeds from and payments for financial instruments		**2,776**	**3,989**
Issue of		4,137	4,749
Bank borrowings		0	36
Payables to group companies and associates		4,137	4,703
Other payables		0	10
Redemption and repayment		(1,361)	(760)
Bank borrowings		(17)	(17)
Payables to group companies and associates		(1,344)	(724)
Other payables		0	(19)
Dividends paid and payments on other equity instruments		**(308)**	**(479)**
Dividends	7	(308)	(479)
Cash flows used in financing activities		**572**	**1,970**
Net increase/(decrease) in cash and cash equivalents		**0**	**4**
Cash and cash equivalents at start of period		**0**	**0**
Cash and cash equivalents at end of period		**0**	**4**

(*) The statement of cash flows for the six-month period ended 30 June 2025 is presented for comparison purposes only.

The accompanying Notes are an integral part of this selected condensed separate interim financial information.

IBERDROLA, S.A.

Notes to the selected condensed separate interim financial information for the six-month period ended 30 June 2026

1. Company activity

Pursuant to Article 4 of its By-Laws, the corporate purpose of Iberdrola, S.A. (hereinafter "IBERDROLA"), a company incorporated in Spain, is as follows:

- To carry out all manner of activities, works and services inherent in or related to the business of production, transmission, switching and distribution or supply of electric power or electricity by-products and applications thereof and the raw material or energy needed for the generation thereof; energy, engineering, information-technology, telecommunications and internet-related services; water treatment and distribution; the integral provision of urban and gas supply services, as well as other gas storage, regasification, transportation or distribution activities, which will be carried out indirectly through the ownership of shares or equity interests in other companies that will not engage in the supply of gas.
- The distribution, representation and marketing of all manner of goods and services, products, articles, merchandise, software programs, industrial equipment and machinery, tools, instruments, spare parts and accessories.
- The investigation, study and planning of investment and corporate organisation projects, as well as the promotion, creation and development of industrial, commercial or service companies.
- The provision of services assisting or supporting companies and businesses in which it has an interest or which are within its corporate group, for which purpose it may provide appropriate guarantees and bonds in favour thereof.

The aforementioned activities may be carried out in Spain as well as abroad, and may be carried out, in whole or in part, either directly by IBERDROLA or through the ownership of shares or equity interests in other companies, subject in all cases and at all times to applicable legal provisions for each industry, especially the electricity industry.

IBERDROLA also provides various services to other Group companies, mainly including the provision of IT services and other non-operating, structural and support services.

IBERDROLA, individually considered, has no environmental liabilities, expenses, assets, provisions or contingencies that could have a significant impact on its equity, financial position or results. Therefore, no specific environmental disclosures have been included in these Notes to the selected condensed separate interim financial information.

IBERDROLA has its registered office at Plaza Euskadi 5, in Bilbao.

2. Bases of presentation of the selected condensed separate interim financial information

2.1. Accounting legislation applied

This selected condensed separate interim financial information (hereinafter, interim financial information) has been prepared in accordance with the principles and accounting standards set out in Articles 12 and 13 of Royal Decree 1362/2007 of 19 October, Royal Legislative Decree 6/2023 of 17 March, approving the restated text of the Securities Market Act, on the transparency requirements for information on issuers of securities admitted to trading in secondary markets or other regulated markets in the European Union, and Circular 3/2018 of the Spanish Securities Market Commission on periodic reporting by issuers of securities admitted to trading in regulated markets regarding half-yearly financial reports, interim management statements and, where applicable, quarterly financial reports (Circular 3/2018).

This interim financial information does not include all the information required for comprehensive separate financial statements prepared in accordance with generally accepted accounting principles in Spain. In particular, the accompanying interim financial information has been prepared with the content necessary to comply with rule four of Circular 3/2018 for selected separate financial information. As a result, the interim financial information should be read in conjunction with IBERDROLA's financial statements for the year ended 31 December 2025.

IBERDROLA has drawn up its interim condensed consolidated financial information in accordance with current law, pursuant to the provisions of the International Financial Reporting Standards (IFRS) as approved by the European Union. The main figures contained in the interim condensed consolidated financial information of the IBERDROLA Group for the six-month periods ended 30 June 2026 and 30 June 2025 (except for total assets and equity for 2025, which are included in the IBERDROLA Group's consolidated financial statements at 31 December 2025), in millions of euros, are as follows:

sin dato	2026	2025 (*)
Total assets	**165,102**	**160,762**
Equity:		
IBERDROLA as parent company	50,850	50,068
Non-controlling interests	11,596	13,351
Revenue	**22,469**	**22,100**
Profit/(loss) for the period:		
IBERDROLA as parent company	4,336	3,562
Non-controlling interests	99	302

(*) Revenue at 30 June 2025 has been restated, as the IBERDROLA Group's activity in Mexico is now considered a discontinued operation following the sale to COX ABG Group, S.A., completed in April 2026, of the Group's subsidiary Iberdrola Mexico, which held the IBERDROLA Group's businesses in that country.

This interim financial information has been prepared in relation to the publication of the half-yearly financial report required by Article 100 of the Securities Markets and Investment Services Act (Law 6/2023 of 17 March).

2.2. Accounting policies and measurement standards

The accounting principles and measurement methods used to draw up the interim financial information are fully consistent with those used to draw up IBERDROLA's 2025 financial statements.

2.3. Working capital deficit

At 30 June 2026, IBERDROLA's statement of financial position shows a working capital deficit (current liabilities exceeding current assets) of EUR 8,315 million. This deficit is largely due to the existence of current debt with group companies and associates in the amount of EUR 6,223 million, and also because of seasonal variations (Note 3).

According to IBERDROLA's directors, this deficit will be offset by the generation of funds from the IBERDROLA Group's businesses and the dividends received from its subsidiaries. At 30 June 2026, the IBERDROLA Group had undrawn loans and credit facilities of approximately EUR 16,127 million, which will cover IBERDROLA's cash requirements over the coming months.

2.4. Comparative information

In accordance with Circular 3/2018, the following are presented for comparative purposes:

- The statement of financial position at 30 June 2026, and the statement of financial position at 31 December 2025.
- The income statement, statement of changes in equity and statement of cash flows for the six-month periods ended 30 June 2026 and 30 June 2025.

3. Seasonal variations

On a half-yearly basis, IBERDROLA's activities show no significant degree of seasonal variation, except for dividends received from subsidiaries, which are normally distributed in the second half of the year.

4. Use of accounting estimates

IBERDROLA relied on certain assumptions and estimates in drawing up this interim financial information. The main matters subject to estimate in the preparation of this interim financial information are the same as those disclosed in Note 6 to IBERDROLA's 2025 financial statements.

The criteria used to calculate the estimates contained in this interim financial information coincide, where applicable, with those used to draw up IBERDROLA's separate financial statements for 2025.

Although these estimates were made on the basis of the best information available at the date of issue of this interim financial information, future events may require adjustments (upwards or downwards) in coming years. Any such changes would be applied prospectively, recognising the effects of the change in estimates for future periods.

5. Investments in group companies and associates

Changes in "Non-current investments in group companies and associates – Equity instruments" in the statement of financial position during the six-month period ended 30 June 2026 and 30 June 2025 are as follows (expressed in millions of euros):

sin dato	Balance at 01.01.2026	Additions and allowances	Decreases, disposals or reversals	Valuation of net investment hedges	Balance at 30.06.2026
Investments in group companies	53,758	0	0	(23)	53,735
Investments in associates	1	0	0	0	1
Valuation adjustments of group companies and associates	(495)	0	4	0	(491)
Total	**53,264**	**0**	**4**	**(23)**	**53,245**

sin dato	Balance at 01.01.2025	Additions and allowances	Valuation of net investment hedges	Balance at 30.06.2025
Investments in group companies	49,865	1,822	(27)	51,660
Investments in associates	1	0	0	1
Valuation adjustments of group companies and associates	(488)	(14)	0	(502)
Total	**49,378**	**1,808**	**(27)**	**51,159**

On 14 January 2025, a contribution of funds to Avangrid was approved for a total amount of USD 1,900 million, equivalent to EUR 1,822 million.

In the six-month period ended 30 June 2026, the Company recorded an impairment charge on ScottishPower Overseas Holdings, Ltd. for a total of EUR 4 million (charge of EUR 2 million in the six-month period ended 30 June 2025).

In the six-month period ended 30 June 2025 , an impairment adjustment of EUR 12 million was recognised at Iberdrola Participaciones, S.A.U. to reflect the difference between its carrying amount and the recoverable amount.

A review of the impairment indicators for the remaining stakes did not reveal any further impairment at 30 June 2026.

6. Categories of financial assets and financial liabilities

At 30 June 2026 and 31 December 2025, the carrying amount of each category of financial assets and liabilities, except for equity investments in group companies and associates, trade and other receivables, trade and other payables, and cash and cash equivalents, is as follows (in millions of euros):

sin dato	Non-current financial assets					
sin dato	Loans and receivables		Derivatives (1)		Total	
Category	**30.06.26**	**31.12.25**	**30.06.26**	**31.12.25**	**30.06.26**	**31.12.25**
At fair value through profit or loss	0	0	0	0	0	0
At amortised cost	129	129	0	0	129	129
Hedging derivatives	0	0	42	34	42	34
Total	**129**	**129**	**42**	**34**	**171**	**163**

sin dato	Current financial assets					
sin dato	Loans and receivables		Derivatives (1)		Total	
Category	**30.06.26**	**31.12.25**	**30.06.26**	**31.12.25**	**30.06.26**	**31.12.25**
At fair value through profit or loss	0	0	24	7	24	7
At amortised cost	78	39	0	0	78	39
Hedging derivatives	0	0	1	25	1	25
Total	**78**	**39**	**25**	**32**	**103**	**71**

sin dato	Non-current financial liabilities							
sin dato	Bank borrowings		Derivatives (1)		Other		Total	
Category	**30.06.26**	**31.12.25**	**30.06.26**	**31.12.25**	**30.06.26**	**31.12.25**	**30.06.26**	**31.12.25**
At fair value through profit or loss	0	0	0	0	0	0	0	0
At amortised cost	463	184	0	0	10,606	10,981	11,069	11,165
Hedging derivatives	0	0	4	10	0	0	4	10
Total	**463**	**184**	**4**	**10**	**10,606**	**10,981**	**11,073**	**11,175**

sin dato	Current financial liabilities							
sin dato	Bank borrowings		Derivatives (1)		Other		Total	
Category	**30.06.26**	**31.12.25**	**30.06.26**	**31.12.25**	**30.06.26**	**31.12.25**	**30.06.26**	**31.12.25**
At fair value through profit or loss	0	0	75	7	0	0	75	7
At amortised cost	3,186	1,217	0	0	6,241	3,183	9,427	4,400
Hedging derivatives	0	0	63	7	0	0	63	7
Total	**3,186**	**1,217**	**138**	**14**	**6,241**	**3,183**	**9,565**	**4,414**

(1) Includes derivatives with third parties and with group companies and associates.

7. Equity

Changes in the share capital of IBERDROLA over the six-month period ended 30 June 2026 and financial year 2025 are as follows:

sin dato	Date of filing at the Mercantile Registry	% Capital	Number of shares	Face value	Euros
Balance at 01.01.2025			**6,364,251,000**	**0.75**	**4,773,188,250**
Scrip issue	5 February 2025	1.199 %	76,310,000	0.75	57,232,500
Reduction in share capital	3 July 2025	3.114 %	(200,561,000)	0.75	(150,420,750)
Scrip issue	23 July 2025	1.764 %	110,101,549	0.75	82,576,162
Capital increase	28 July 2025	5.214 %	331,125,828	0.75	248,344,371
Balance at 31.12.2025			**6,681,227,377**	**0.75**	**5,010,920,533**
Scrip issue	4 February 2026	1.147 %	76,618,226	0.75	57,463,670
Balance at 30.06.2026			**6,757,845,603**	**0.75**	**5,068,384,203**

On 4 February 2026, the public deed was executed formalising the second application of the scrip issue (bonus share issue), having been approved by the shareholders at the General Shareholders' Meeting of IBERDROLA held on 30 May 2025, under item 10 on the agenda, and used to implement the *Iberdrola Retribución Flexible* optional dividend system.

During the relevant period, the holders of 1,088,096,797 shares elected to receive the Interim dividend. Thus, the gross amount paid out under the Interim dividend was EUR 275 million. As a result, those shareholders expressly waived 1,088,096,797 free-of-charge allocation rights and, therefore, the right to receive 14,905,436 new shares.

The shareholders acting at the General Shareholders' Meeting held on 29 May 2026 approved, under item 6 of the agenda, the engagement dividend in the general meeting and its payment to all shareholders entitled to participate in the meeting (i.e. with shares registered in their name on 22 May), having fulfilled all conditions to which payment of the dividend was subject, i.e. the approval of the dividend itself (under item 6 of the agenda), and that a *quorum* of 70% of share capital was reached. The dividend amounted to EUR 33 million (EUR 0.005 gross per share) and was paid on 1 June 2026.

There were no changes to IBERDROLA's share capital other than those resulting from the transactions described above. There are no claims on IBERDROLA's share capital other than those established by the Spanish Companies Act (*Ley de Sociedades de Capital*).

8. Taxes

The income tax expense for the interim period is obtained by multiplying profit before tax by the best estimate of the expected weighted average rate for the financial year, adjusted, if applicable, for the tax effect of those elements to be recognised in full in the interim period. The effective tax rate calculated in preparing the interim financial information may thus differ from the rate estimated by the directors for the financial year.

Iberdrola S.A. is the parent company for two tax consolidation groups in Spain: group 2/86, which operates in the general taxation territory, and group 02415BSC, which operates in the province of Biscay. Currently, Iberdrola S.A. is a member of the latter group.

The effective tax rate for the six-month period ended 30 June 2026 amounts to 24.78% (28.41% for the six-month period ended 30 June 2025), calculated based on the accounting profit before tax adjusted for permanent differences.

The accrued income tax expense for the six-month periods ended 30 June 2026 and 30 June 2025 is as follows (expressed in millions of EUR):

sin dato	30.06.2026	30.06.2025
Profit/(loss) before tax	**(339)**	**819**
Permanent differences		
Dividends received from Group companies	0	(913)
Impairment and other	(8)	6
Adjusted accounting profit (a)	**(347)**	**(88)**
Gross tax (24%) (b)	**(83)**	**(21)**
Tax deductions (c)	(3)	(4)
Adjustment of income tax expense from previous financial years	14	(9)
Adjustment of deferred tax assets and liabilities	(10)	0
Other (1)	(133)	(34)
Income tax (income)/expense	**(215)**	**(68)**
Effective tax rate (b+c)/a	**24.78 %**	**28.41 %**

(1) Relates to the reversal of provisions in respect of tax litigation, mainly arising from the Supreme Court's dismissal of the appeal lodged by the State Attorney against a favourable judgment of the National Court (*Audiencia Nacional*), concerning conflict in the application of rules.

For the six-month period ended 30 June 2025, it relates mainly to the reversal of the deferred tax liability associated with the tax treatment of financial goodwill, in accordance with the provisions of the Biscay Income Tax Regulations.

8.1. Minimum Global Tax – Supplementary Tax

As a large multinational group, the IBERDROLA Group is subject to the model rules against tax base erosion of Pillar II (also known as the GloBE rules) approved by the Inclusive Framework of the Organisation for Economic Cooperation and Development (OECD)/G20 on Base Erosion and Profit Shifting of 14 December 2021, which were signed by the Member States of the European Union, among many other signatories.

Under these model rules, the Group is required to pay a supplementary tax on any profits earned in any tax jurisdiction where its effective tax rate, calculated at the jurisdictional level and in accordance with such rules, is lower than a minimum of 15%.

The legislation implementing the model rules has been approved in many of the jurisdictions in which IBERDROLA has a presence.

In Spain, the home country of the Group's ultimate parent company, Council Directive (EU) 2022/2523 of 15 December 2022 has now been transposed into Spanish law, mainly —and as far as IBERDROLA is concerned— through Law 7/2024 of 20 December and the Provincial Law of the Historical Territory of Biscay 6/2025 of 12 December.

According to the aforementioned rules, the first financial year in which the new global minimum taxation obligations became effective for the IBERDROLA Group was 2024, with the Group subject to the Biscay provincial tax regulations (although it was subject to the provisions set out in Law 7/2024 on an interim basis in 2024, as the tax was pending formal coordination). The self-assessed tax return for this first tax period, which will not result in any tax being payable, must be filed in July 2026.

The Group has assessed the impact of the global minimum taxation regulations based on its latest tax returns, its country-by-country report and the financial statements of its constituent entities. As a result of this assessment, IBERDROLA does not expect a significant economic impact arising from the application of the model rules in financial years 2025 and 2026, due to the alternative or simultaneous existence of the following circumstances in each of the jurisdictions in which it operates: an effective tax rate equal to or higher than that established under the minimum taxation rules; substantial presence of personnel and property, plant and equipment implying the exclusion of income subject to minimum taxation; or insignificant amounts of income and profits. As a result, the income statement for the six-month period ended 30 June 2026 does not show any current tax expense related to this regulation.

There is currently widespread uncertainty about the impact of the GloBE rules on the deferred tax assets and liabilities of the entities subject to them. Therefore, the First Consultation of BOICAC 136 of the Spanish Institute of Accounting and Auditing (ICAC) to align it with the model rules contemplates a temporary exception to the new requirements in this respect. IBERDROLA has applied this temporary exception in these 2026 Financial Statements.

8.2. Administrative proceedings

Among its principles, IBERDROLA seeks to build stronger ties with the tax authorities, based on the respect for the law, loyalty, trust, professionalism, collaboration, reciprocation and good faith, notwithstanding any legitimate disputes that may arise due to the interpretation of tax rules. When such disputes do arise, IBERDROLA strives to ensure cooperative dealings with the authorities, in accordance with the principles of transparency and mutual trust.

All of IBERDROLA's actions have been analysed by its internal and external advisers, both for this year and for preceding years, and these advisers have determined that these actions have been carried out in accordance with the Law and are based on the reasonable interpretation of tax law. The occurrence of contingent liabilities is also analysed. IBERDROLA general approach is to record provisions for tax litigation when there is a probable risk of an outcome detrimental to the IBERDROLA interests, while it does not record such provisions when the risk is possible or remote.

On 25 January 2024, the Tax and Customs Control Unit of the Central Delegation for Large Taxpayers at the State Tax Administration Agency informed IBERDROLA that it was beginning checks and investigations into the Temporary Energy Levy for 2023. This is in line with Iberdrola's role as the main operator in the energy sector, in accordance with the decisions of the National Commission for Markets and Competition of 10 December 2020, 16 December 2021 and 9 June 2020, referenced in Section 1.1 of Law 38/2022.

In the course of this general inspection, IBERDROLA requested the exclusion of certain income from the levy base, fundamentally corresponding to expenses borne by the distributors' retail supply companies to be passed onto the end customer, equivalent to those arising from the regulated activities exempt from the levy. The Company also sought to adjust the self-assessments submitted for this tax, arguing that the regulation establishing and governing it is unconstitutional and breaches European Union law, requesting a refund of all the amounts paid along with the applicable late-payment interest. As a result of the inspection proceedings, an order was issued for the reimbursement of an amount of EUR 33 million plus late-payment interest. The income associated with this reimbursement reduced the effective expense corresponding to this levy in financial year 2024.

In January 2025, the Company received notification of the settlement confirming the disputed tax assessment initiated in July 2024. The settlement accepted the request to exclude certain income from the tax base and to refund the amounts paid, including the corresponding interest. However, it denied the request for total rectification, as the tax authorities determined that they lacked jurisdiction to assess whether the rule creating the levy is consistent with domestic and/or EU law, or to submit issues of unconstitutionality to the Constitutional Court or preliminary questions to the High Court of Justice in this respect. In May 2026, the Central Tax Appeals Board (*Tribunal Económico-Administrativo Central*) notified the Company of its decision dismissing the appeal lodged against the aforementioned tax assessment, which will be subject to a contentious-administrative appeal before the National Court within the time period granted for such purpose.

IBERDROLA also filed a claim for rectification of the self-assessments filed and paid in relation to the levy for financial year 2024, similar to that submitted for 2023. The rectification procedure initiated following the filing of that claim concluded upon the notification, on 17 March 2025, of the commencement of a general tax inspection and investigation in relation to the Temporary Energy Levy for 2024. In October 2025, the settlement confirming the disputed tax assessment issued in June was notified, as the tax inspection authorities rejected the claim for rectification of the self-assessments, again arguing that they lacked jurisdiction to assess the lawfulness of the rule creating the levy.

In October 2025, the Company lodged an economic-administrative appeal against the tax assessment before the Central Tax Appeals Board. The appeal remains pending following the submission of the corresponding pleadings in January 2026.

Meanwhile, in May 2024, the Tax and Customs Unit of the AEAT's Office for Large Taxpayers notified Iberdrola Energía España, S.A. and Iberdrola, S.A. of the initiation of general inspection and investigation proceedings in relation to income tax and VAT for financial years 2018 to 2020, in their capacity as individual companies and as the respective representatives of Income Tax Group 2/86 and VAT Group 0220/08. Those proceedings were substantially completed by the end of June 2026, with the notification of tax assessment decisions upholding the assessments proposed in the notices of disagreement issued at the beginning of the year, against a consolidated administrative appeal for reconsideration was filed in early July. Those decisions have not had any material adverse impact on the Group, as the main matters in dispute relate to jurisdictional disagreements between the State tax authority and the Biscay provincial tax authority regarding the power to audit and collect income tax in relation to certain individual companies that were originally members of the Spanish tax consolidation group, which will be for the competent bodies to resolve.

A transfer pricing matter between the same tax authorities—the State tax authorities and the Biscay provincial tax authorities—remains potentially subject to adjustment. Following the cooperation between them required under the Economic Agreement with the Autonomous Community of the Basque Country, the matter must be resolved by the Arbitration Board in light of the jurisdictional dispute raised by the latter authority, again with no material impact on the Group given the statutory mechanisms in place to prevent double taxation.

IBERDROLA's directors and tax advisors believe that the aforementioned issues will not give rise to further material liabilities for the Company beyond those already recognised at 30 June 2026.

8.3. Tax litigation

Tax litigation for financial years 2008 to 2011

In June 2020, IBERDROLA was notified of the rulings of the Central Tax Appeals Board regarding the claims filed in relation to the tax assessments signed by IBERDROLA in protest in 2016, corresponding to the general inspection proceedings regarding the general taxation territory tax consolidation group (no. 2/86) for financial years 2008 to 2011, which concerned both income tax and VAT.

As regards VAT, the Central Tax Appeals Board ruling was favourable to the interests of IBERDROLA (thus annulling the tax audit reports and assessments issued by the Tax Inspectorate), while the decisions on income tax were unfavourable.

On 7 July 2020, IBERDROLA filed contentious-administrative appeals against these latter rulings before the National Court.

The main adjustments included in the tax assessment decisions arising from the income tax assessments signed in protest relate to the quantification of financial goodwill subject to tax amortisation due to the acquisition of ScottishPower, the elimination of the exemption for dividends of ScottishPower due to the inspectorate finding it incompatible with an adjustment in portfolio value due to hedging of net investment, differences in tax consolidation criteria and possible existence of a transaction involving a change of debtor in certain bond issues, due to the circumstances set out in Section 15.1 of the General Tax Act.

In relation to this latter matter, on 28 November 2024 the National Court handed down a judgment allowing the appeal concerning the income tax assessments issued on 30 September 2016 by the Central Office for Large Taxpayers for the 2009, 2010 and 2011 tax years. The judgment set aside the Spanish Tax Office's *(Agencia Española de Administración Tributaria*) referral of the matter under the procedure for determining the existence of a conflict in the application of tax law and allowed the appeal in full as regards the resulting tax adjustments.

Although the State Attorney appealed the judgment to the Supreme Court, the latter declared the appeal inadmissible in an order dated 11 February 2026, thereby definitively annulling the tax assessments under appeal. With regard to the remaining appeals, during the second quarter of 2026 the National Court delivered two judgments partially upholding the Company's claims. In particular, the judgments confirmed the deductibility of certain items taken into account in determining the tax goodwill arising on the acquisition of Scottish Power. However, the Court dismissed the Company's claim concerning the compatibility of the fair value adjustment to the stake resulting from the hedge of its net investment with the exemption applicable to dividends received from that Group company. An appeal in respect of that issue was pending at 30 June.

Tax litigation for financial years 2012 to 2020

Additionally, in December 2020 IBERDROLA was notified of the Central Tax Appeals Board's decision relating to claims filed arising from tax assessments signed in protest in limited review proceedings regarding income tax for financial years 2012 to 2014. The dispute with the Tax Administration essentially had to do with the applicability or inapplicability of the rules on timing of accounting recognition as established in a large number of rulings of the Supreme Court, in relation to the income received by the Group based on payments unlawfully made.

On 25 January 2021, IBERDROLA filed a contentious-administrative appeal before the National Court regarding the other matters in dispute, which remains pending before the National Court at the present date.

In relation to the same issue, on 6 September 2021 IBERDROLA filed a claim with the Central Tax Appeals Board against the enforcement by the technical department of the Technical Office of the Office for Large Taxpayers of that Board's decision partially upholding the aforementioned assessment, which did not merely recognise the effects of that assessment in the affected years (2012 to 2014), but extended its effects to other preceding years. These financial years had already been subject to a general inspection. Moreover, in some of the cases there was a final judgment and res judicata therefore applied. On 3 January 2024, IBERDROLA was notified of the Central Tax Appeals Board's decision dismissing the Company's claims. The corresponding contentious-administrative appeal was filed within the relevant time limit before the National Court, with the statement of claim submitted in June 2024 and the final written submissions filed in February 2025, respectively. The appeal remained pending at the end of the reporting period. In any case, the decisions of the National Court may be appealed before the Supreme Court.

In addition, in December 2021 and July 2022, appeals were lodged before the Central Tax Appeals Board against the income tax settlements notified to Iberdrola Energía España, S.A., as representative of Tax Group 2/86, in connection with the tax assessments signed in protest by the Group in 2021 and 2022 in respect of financial years 2012 to 2014 and 2015 to 2020, respectively. The adjustments in dispute were substantially the same as those disputed in relation to financial years 2008 to 2011. On 5 June 2024, notice was served of the Central Tax Appeals Board's decision partially upholding the Group's claims in relation to financial years 2012 to 2014. Within the prescribed time limit, the Company filed the corresponding contentious-administrative appeal before the National Court in respect of the issues on which its claims had been dismissed. The statement of claim was filed in November 2024 and the final written submissions in February 2025. During the first half of 2025, the Company was notified of the Central Tax Appeals Board's decision on the joined appeal relating to financial years 2015 to 2020, which also partially upheld the Group's claims. Within the prescribed time limit, the Company also filed a contentious-administrative appeal before the National Court in respect of the issues on which its claims had been dismissed, and the statement of claim has also been filed. During the first quarter of 2026, the National Court accepted the State Attorney's acquiescence in respect of the adjustments made by the Spanish Tax Office on the basis of the conflict in the application of the tax law (anti-avoidance) procedure, and ordered the appeal to continue in relation to IBERDROLA's remaining claims.

With regard to VAT, in July 2022 the corresponding tax appeal was filed with the Central Tax Appeals Board against the settlement confirming the assessment signed in protest initiated against Iberdrola, S.A, as representative of Tax Group 0220/08BVA, in relation to financial years 2015 to 2017, as a result of certain adjustments made by the Spanish Tax Office arising from the inclusion in the denominator of the pro-rata amount of the capital gains arising on portfolio transfers or on corporate restructurings. The Central Tax Appeals Board dismissed the Company's claims, and in April 2025 the Company filed the corresponding contentious-administrative appeal before the National Court. The appeal was admitted, and the statement of claim and final written submissions were filed in January and May 2026, respectively. The appeal is currently pending a date for deliberation and judgment. In any event, the National Court's judgment may be appealed to the Supreme Court.

Tax litigation related to the Temporary Energy Levy

Finally in relation to IBERDROLA's significant tax litigation, on 21 February 2023 the Electricity Utilities Association (AELEC) filed a contentious-administrative appeal against Ministerial Order HFP/94/2023 approving the self-assessment forms for the new Temporary Energy Levy introduced by Law 38/2022. IBERDROLA also filed a contentious-administrative appeal against the same ministerial order, on similar terms to the appeal filed by AELEC, on 23 February 2023.

This law imposed a temporary energy levy for the years 2023 and 2024 on those entities classified as a main operator in the energy sectors, with the legal status of a non-tax public levy.

The amount payable was calculated by applying a percentage of 1.2% to the net turnover generated by the activity in Spain in the calendar year prior to the year in which the obligation arises. IBERDROLA paid an amount of EUR 213 million for the levy in 2023, although as a result of the inspection proceedings referred to in the preceding section of this Note, an order was issued for the reimbursement of an amount of EUR 33 million plus late-payment interest. The income associated with this reimbursement reduced the effective expense corresponding to this levy in financial year 2024.

The amount of the levy paid by IBERDROLA in 2024 amounted to EUR 132 million, having already excluded from the tax base for that financial year the income whose exclusion was recognised during the general inspection relating to the levy paid in 2023.

The contentious-administrative appeals filed by AELEC and IBERDROLA are currently awaiting a decision and are both based on defects in the ordinary legality of the Ministerial Order subject to appeal as well as on grounds of unconstitutionality and infringement of Council Regulation (EU) 2022/1854 of 6 October 2022 found to exist in Spanish Law 38/2022 establishing the levy.

Assessment of tax litigation

IBERDROLA's directors and tax advisers consider that the proceedings described in the above paragraphs will not give rise to further material liabilities for the Company beyond those already recognised at 30 June 2026.

8.4. Other

Further developments in relation to financial goodwill (Section 12.5 of the consolidated text of the Income Tax Law)

In previous financial years, the Spanish authorities applied the State aid reimbursement procedure established in the General Tax Act, thus recovering the sum from the application of Section 12.5 TRLIS in financial years 2002 to 2015 by the IBERDROLA Group, amounting to a total of EUR 665 million (EUR 576 million as principal and EUR 89 million as late-payment interest). IBERDROLA settled this amount by (i) offsetting against the EUR 363 million received under the 2016 income tax rebate, and (ii) paying EUR 302 million in February 2018. All of the foregoing is by application of Decision Three of the European Commission.

In May 2021, IBERDROLA was notified of a settlement decision under the aid and grants reimbursement procedure for the years 2016 to 2018 in the amount of EUR 13 million, which the Company paid on 2 July 2021.

The Judgment of the General Court of the European Union (GCEU) of 27 September 2023 (Joined Cases T-256/15 and T-260/15) annulled the European Commission's Decision (EU) 2015/314 of 15 October 2014 (the Third Decision), upholding all the pleas in law submitted by the entities concerned, including the IBERDROLA Group.

Although the European Commission appealed against this ruling of the GCEU, the final judgment of the Court of Justice of the European Union of 26 June 2025 dismissed the appeal brought by the European Commission, definitively annulling the Third Decision.

The amounts recovered by the Spanish Tax Office must be refunded, together with the corresponding additional late-payment interest, and are recognised in an amount of EUR 790 million under "Current tax assets" within current assets in the statement of financial position as at 30 June 2026.

In any event, the IBERDROLA Group and its internal and external advisors have always considered that no further impacts should arise in relation to the application of the financial goodwill, and that the sums recovered by the tax authority should be refunded, as the payment made by the Group was undue.

As at the end of June 2025, the effects arising from the request for recognition of the deduction of the goodwill that the Group had been unable to claim in terms of income tax for financial years 2016 to 2019 were also recognised, as the now definitively annulled Decision Three remained enforceable until September 2023.

Following completion of the general income tax audit of the State Tax Group, which in 2026 fully recognised the additional adjustment claimed in relation to financial years 2018 and 2019, the corresponding portion of the receivable for those financial years, with late-payment interest, has been derecognised.

The cash actually received by the Spanish Tax Office in respect of these tax years has been almost entirely offset as a result of the adjustments referred to above concerning the authority to audit and collect income tax from certain companies initially included in the State tax group. However, the relevant amounts must ultimately be refunded, together with the late-payment interest accruing until that time, by whichever tax authority—State or provincial—is ultimately found to have jurisdiction following the resolution of the relevant proceedings.

The remaining amount claimed, together with the corresponding late-payment interest, are recognised under "Non-current trade and other receivables" within non-current assets in the statement of financial position as at 30 June 2026, together with the related deferred tax liability.

9. Income and expenses

9.1. Revenue

The distribution of IBERDROLA's revenue from ordinary activities by category of activity and geographical market, in millions of euros, is as follows:

30.06.2026	European Union			Other countries	sin dato
sin dato	Spain	Euro zone	Non-euro zone		Total
Finance income from equity investments in group companies and associates	0	0	0	6	**6**
Finance income from marketable securities and other financial instruments of group companies and associates	11	2	0	0	**13**
Income from services rendered to group companies	159	8	0	71	**238**
Total	**170**	**10**	**0**	**77**	**257**

30.06.2025	European Union			Other countries	sin dato
sin dato	Spain	Euro zone	Non-euro zone		Total
Finance income from equity investments in group companies and associates	909	0	0	4	**913**
Finance income from marketable securities and other financial instruments of group companies and associates	10	3	0	0	**13**
Income from services rendered to group companies	144	7	0	74	**225**
Total	**1,063**	**10**	**0**	**78**	**1,151**

Details of dividends from Group companies, in millions of euros, are as follows:

sin dato	Six-month period ended	
sin dato	30.06.2026	30.06.2025
Iberdrola Energía, S.A.U.	0	62
Hidrola I, S.L.U.	0	847
Neoenergia, S.A.	6	4
Total	**6**	**913**

9.2. Employees

IBERDROLA's workforce is structured as follows:

sin dato	30.06.2026		30.06.2025	
sin dato	Average headcount	Final headcount	Average headcount	Final headcount
Men	513	510	532	527
Women	476	477	479	477
Total	**989**	**987**	**1,011**	**1,004**

10. Remuneration of the Board of Directors and of the executive officers

10.1. Remuneration of the Board of Directors

Remuneration and other benefits received by the directors in the six-month periods ended 30 June 2026 and 30 June 2025, in millions of euros, are presented in the following table, by remuneration item:

sin dato	30.06.2026	30.06.2025
Remuneration for membership of the Board and/or Board Committees	3.9	3.9
Other items	0.1	0.1
Total	**4.0**	**4.0**

10.2. Remuneration of executive officers

According to the Group's governance structure, business operations are effectively managed in various countries or territories by the country subholding companies, head of business companies, or their subsidiaries. As of 30 June 2026, senior management consisted of four members (the same number as in 2025), along with the executive chairman and the chief executive officer.

Senior management comprises those members of the Company's management who perform global functions —other than support, advisory or staff functions— and who report directly to the Company's Board of Directors, chairman or chief executive officer, as well as any other person whom the Board of Directors, at the proposal of its chairman, designates as such, and, in all cases, the Chief Internal Audit and Risk Officer.

Remuneration accrued by and paid to directors and senior management during the first half of 2026 and 2025, expressed in millions of euros, is as follows.

Executive officers who are also directors [(1)]	30.06.2026	30.06.2025
Cash remuneration	1.8	1.7
Variable remuneration	3.9	4.4
Remuneration in kind and payments on account not charged	0.1	0.1
Social Security	0.4	0.2
Employer's contribution to pension plan / employee benefits insurance	0.2	0.1
Risk Policy (death and permanent disability)	0.1	0.1
Other items [(2)]	0.3	0.3
Total	**6.8**	**6.9**

Other executive officers (4 Members) [(3)]	30.06.2026	30.06.2025
Remuneration in cash [(4)]	1.2	1.2
Variable remuneration [(4)]	1.4	1.3
Remuneration in kind and payments on account not charged	0.1	0.2
Social Security	0.2	0.1
Employer's contribution to pension plan / employee benefits insurance	0.3	0.3
Risk Policy (death and permanent disability)	0.6	0.5
Other items [(2)]	0.3	0.3
Total	**4.1**	**3.9**

[(1)] The total remuneration paid to the Chief Executive Officer from 1 January 2025 until his replacement on 24 June 2025 amounted to EUR 1,943 thousand. On 24 June 2025, the items payable corresponding to the termination of his services were paid, including a severance payment equivalent to two years' remuneration (including one-year's remuneration for the non-compete clause), for a total amount of EUR 4,435 thousand.

[(2)] Includes the remuneration of officers who are directors and of senior management who have served as directors of Neoenergia, S.A. and AVANGRID, Inc.

[(3)] In addition to the executive chairman and the chief executive officer.

[(4)] To foster the necessary autonomy and independence and to avoid conflicts related to variable remuneration linked to the Company's performance, executive officers and other professionals of the Iberdrola group assigned to departments or areas that report functionally to the Audit and Risk Supervision Committee or to the Sustainable Development Committee, including Internal Audit and Risk and Compliance, have not participated in annual variable remuneration schemes and have not been beneficiaries of the long-term incentive since 1 January 2025.

The first of the three annual payments of the 2023–2025 Strategic Bonus was made during the first half of 2026, consisting of the delivery of 861,166 shares, after having calculated the level of achievement of the targets to which this remuneration is pegged. The third of the three annual payments of the 2020–2022 Strategic Bonus was made during the first half of 2025, consisting of the delivery of 941,670 shares.

Moreover, the 2023–2025 Deferred Extraordinary Remuneration was paid during the first half of 2026 for a total gross amount of EUR 1,500 thousand.

In addition, there were no related-party transactions involving the executive officers during the first half of 2026 and 2025.

11. Related-party transactions

11.1. IBERDROLA balances with group companies and associates

a) Financial balances with group companies and associates

Loans to group companies and associates

Current and non-current “Loans to group companies and associates” in the statement of financial position at 30 June 2026 and 31 December 2025 are as follows (in millions of euros):

sin dato	30.06.2026			31.12.2025		
sin dato	Current	Non-current	Total	Current	Non-current	Total
Iberdrola Financiación, S.A.U.	0	127	**127**	0	127	**127**
Unpaid accrued interest	17	0	**17**	4	0	**4**
Total	**17**	**127**	**144**	**4**	**127**	**131**

Other financial assets/liabilities with group companies and associates

Current and non-current “Other financial assets” and “Other financial liabilities” with group companies and associates were as follows at 30 June 2026 and 31 December 2025 (in millions of euros):

sin dato	30.06.2026		31.12.2025	
sin dato	Receivables	Payables	Receivables	Payables
Non-current				
Iberdrola Financiación, S.A.U.	0	8,996	0	8,396
Iberdrola International, B.V.	0	1,590	0	2,571
Total	**0**	**10,586**	**0**	**10,967**
Current				
Iberdrola Financiación, S.A.U.	0	4,909	0	2,834
Iberdrola International, B.V.	0	997	0	0
Iberdrola Re, S.A.	0	105	0	77
Other	7	0	6	0
Accrued interest	0	199	0	226
Total	**7**	**6,210**	**6**	**3,137**

b) Derivatives with group companies and associates

Derivatives with group companies and associates held by IBERDROLA at 30 June 2026 and 31 December 2025, in millions of euros, are as follows:

	30.06.2026		31.12.2025	
	Assets	Liabilities	Assets	Liabilities
Non-current				
Iberdrola Financiación, S.A.U.	42	0	34	0
Total	**42**	**0**	**34**	**0**
Current				
East Anglia Two, Ltd.	0	12	1	5
Hidrola I, S.L.U.	5	0	0	0
Other	0	1	1	0
Total	**5**	**13**	**2**	**5**

11.2. Transactions between IBERDROLA and related parties

The most significant related-party transactions in the six-month periods ended 30 June 2026 and 30 June 2025, in millions of euros, are as follows:

	Six-month period ended 30.06.2026				
	Significant shareholders (1)	Directors and executive officers (2)	Group persons, companies or entities	Other related parties	Total
Expenses and income					
Finance expenses	0	0	231	0	231
Lease	0	0	2	0	2
Services received	0	0	67	0	67
Purchase of inventories	0	0	0	0	0
Other expenses	0	0	0	0	0
Total expenses	**0**	**0**	**300**	**0**	**300**
Finance income	0	0	13	0	13
Dividends received	0	0	6	0	6
Services rendered	0	0	238	0	238
Sales	0	0	0	0	0
Other income	0	0	0	0	0
Total income	**0**	**0**	**257**	**0**	**257**

	Six-month period ended 30.06.2025				
	Significant shareholders (1)	Directors and executive officers (2)	Group persons, companies or entities	Other related parties	Total
Expenses and income					
Finance expenses	**0**	**0**	**232**	**0**	**232**
Lease	0	0	2	0	2
Services received	0	0	59	0	59
Purchase of inventories	0	0	0	0	0
Other expenses	0	0	0	0	0
Total expenses	**0**	**0**	**293**	**0**	**293**
Finance income	0	0	13	0	13
Dividends received	0	0	913	0	913
Services rendered	0	0	225	0	225
Sales	0	0	0	0	0
Other income	0	0	0	0	0
Total income	**0**	**0**	**1,151**	**0**	**1,151**
Other transactions					
Purchase of PP&E, intangible and other assets	0	0	40	0	40

(1) At the date of authorisation for issue of this interim financial information, there were no significant shareholders who met the definition of Article 529 vicies of the Spanish Companies Act because they did not hold 10% of the voting rights or were not represented on the Board of Directors.

(2) Refers to transactions other than those disclosed in Note 10.

12. Events occurring after 30 June 2026

The following significant events have occurred since 30 June 2026 and before the date of publication of this interim financial information:

Reduction in share capital

On 1 July 2026, the public instrument relating to the share capital reduction approved at the General Shareholders' Meeting of the Company held on 29 May 2026, under item 10.1 of the agenda, was executed. The share capital reduction was effected through the cancellation of treasury shares.

Details of the reduction in share capital are as follows:

Sin dato	Date of filing at the Mercantile Registry	% Capital	Number of shares	Face value	Euros
Reduction in share capital	6 July 2026	2.706 %	182,845,603	0.75	137,134,202

Following the capital reduction, share capital stands at EUR 4,931,250,000, represented by 6,575,000,000 shares, each having a par value of EUR 0.75.

Iberdrola Retribución Flexible

On 2 July 2026, the following terms were established in relation to the implementation of the first increase in capital by means of a scrip issue (*Iberdrola Retribución Flexible*), as approved by the shareholders at the General Shareholders' Meeting of IBERDROLA held on 29 May 2026, under item 8 on the agenda:

- The maximum number of shares to be issued under the capital increase is 131,500,000.
- The number of free-of-charge allocation rights required to receive one new share is 50.
- The maximum par value of the capital increase is EUR 98,625,000.
- The gross amount of the Total Final Dividend per share is EUR 0.427, which is the sum of:

  (i) the Adjustment Dividend, amounting to EUR 0.002 gross per share; and

  (ii) the Final Dividend, amounting to EUR 0.425 gross per share.

Dividend received from Hidrola I, S.L.U.

On 7 July 2026, Iberdrola, S.A., as the sole shareholder of Hidrola I, S.L.U. approved the appropriation of that company's 2025 profit, allocating EUR 1,559 million to dividends. The dividends were recognised in July and are due to be paid out on 21 July 2026.

<u>Cash contribution to the equity of Iberdrola Energía, S.A.U.</u>

On 7 July 2026, the Executive Committee of Iberdrola, S.A., the sole shareholder of Iberdrola Energía, S.A.U. approved a EUR 1,000 million cash contribution to the company's equity in order to bolster its capital structure following the acquisition of non-controlling interests in Neoenergia, S.A. and the subsequent capital increase at that company.

13. Explanation added for translation into English

This financial information is presented on the basis of accounting principles generally accepted in Spain. Consequently, certain accounting practices applied by the Company may not conform with generally accepted accounting principles in other countries.

Management report for the six-month period ended 30 June 2026

1. Business performance

IBERDROLA is a *holding* company and therefore its earnings mainly arise from dividends and services rendered to subsidiaries.

2. Significant events in the first half of 2026

2.1. Key figures from the IBERDROLA income statement

Revenue for the six-month period ended 30 June 2026 fell to EUR 257 million, of which EUR 6 million related to dividends received from Neoenergia, S.A., EUR 13 million comprised finance income from loans to subsidiaries, and EUR 238 million related to services rendered to Group companies.

The reduction of EUR 894 million in revenue is the net result of (Note 9):

- lower dividends received from subsidiaries, amounting to EUR 907 million, principally from Hidrola I, S.L.U., although in July 2026 HIDROLA approved the distribution of EUR 1,559 million charged to its 2025 profit; and

- higher revenues from the provision of services to group companies amounting to EUR 13 million.

Personnel expenses fall EUR 13 million, while other operating expenses are EUR 13 million lower, reaching EUR 94 million and EUR 153 million, respectively. The net effect of impairment charges and reversal of impairment is up EUR 18 million on the same period in the previous year (Note 5). Operating income for the period is a negative EUR 18 million, down EUR 881 million on the figure of EUR 863 million reported in the first half of 2025.

Net finance expense is a negative EUR 321 million, compared with a negative EUR 44 million in the same period of 2025. The EUR 277 million decline in net finance income/(expense) is largely due to:

- a reduction in finance income of EUR 11 million;

- a reduction in finance expenses of EUR 39 million;

- the negative impact of EUR 293 million from the valuation of derivatives, and the reduction of EUR 12 million from negative translation differences compared to those for the previous year.

Profit/(loss) for the period before tax amounted to a loss of EUR 339 million, while income tax amounted to a positive EUR 215 million, yielding a net loss for the period of EUR 124 million, versus net profit of EUR 887 million in the same period of 2025.

As described earlier, IBERDROLA's results mainly take the form of dividends received from its subsidiaries. Accordingly, the loss recognised for the six-month period ended 30 June 2026 will become a profit over the coming months as the Company receives all such dividends from its subsidiaries.

2.2. Statement of financial position

At 30 June 2026, IBERDROLA's statement of financial position showed current liabilities exceeding current assets in the amount of EUR 8,315 million. This shortfall is largely due to the existence of current debt with group companies and associates in the amount of EUR 6,223 million, which will be covered by funds generated from IBERDROLA's business and dividends received from subsidiaries.

3. Main risks and uncertainties

The Company performs its corporate purpose indirectly through the ownership of shares or other equity investments in other companies (country subholding companies, which in turn operate through the parent companies of their respective businesses). Therefore, the Company's main risk factors relate to its investees, as described in section 2 of the management report accompanying the condensed interim consolidated financial information for the six-month period ended 30 June 2026.

The Company (and therefore all Group companies) has a well implemented comprehensive risk control and management system, designed in accordance with international best practices and fully capable of identifying, assessing and monitoring risks. Detailed information thereon can be found in section 8.1 of the 2025 Annual Corporate Governance Report of Iberdrola, S.A.

4. Subsequent events

Events after the reporting period are described in Note 12.

FINANCIAL REPORT FOR THE FIRST HALF OF 2026
STATEMENT OF RESPONSIBILITY

The members of the Board of Directors of "Iberdrola, S.A." state that, to the best of their knowledge, the interim condensed separate financial statements of "Iberdrola, S.A.", as well as the interim condensed consolidated financial information of "Iberdrola, S.A." and its subsidiaries for the first half of fiscal year 2026, issued by the Board of Directors at its meeting of 21 July 2026, and prepared in accordance with applicable accounting standards, present a fair view of the assets, financial condition and results of operations of "Iberdrola, S.A." as well as of the subsidiaries included within its scope of consolidation, taken as a whole, and that the interim management report contains a fair assessment of the required information.

In Madrid, on 21 July 2026

Mr José Ignacio Sánchez Galán *Chairman*	Mr Pedro Azagra Blázquez *Chief Executive Officer*

Mr Juan Manuel González Serna *First vice-chair*	Mr Anthony Luzzatto Gardner *Second vice-chair*	Mr Ángel Jesús Acebes Paniagua *Lead independent director*
Mr Íñigo Víctor de Oriol Ibarra *Director*	Mr Manuel Moreu Munaiz *Director*	Mr Xabier Sagredo Ormaza *Director*
Ms Sara de la Rica Goiricelaya *Director*	Ms Nicola Mary Brewer *Director*	Ms María Ángeles Alcalá Díaz *Director*
Ms Isabel García Tejerina *Director*	Ms Ana Colonques García-Planas *Director*	Ms Marina Freitas Gonçalves de Araújo Grossi *Director*