

INFORMATIVE

NOTE

This was confirmed to the Lehendakari, in a meeting prior to the General Shareholders' Meeting held this Friday in Bilbao.

Galán confirms to Urkullu the commitment to the Basque Country: Iberdrola's socio-economic contribution will rise to 15 billion euros during 2020-2025

- The company's commitment to the energy transition continues to act as a driving force for the Basque Country's economy: nearly half of this impact will be purchases from 600 Basque companies
- In 2020 alone, the impact of the company's activity in the Basque Country amounted to 2.3 billion euros, including purchases from Basque suppliers worth more than 1 billion euros and a tax contribution of 740 million euros
- Iberdrola's activity and purchases create 17,000 jobs in the Basque Country

The Iberdrola Chairman, Ignacio Galán, met today in Bilbao with the Lehendakari, Iñigo Urkullu, to whom he ratified the company's commitment to the Basque Country and its firm commitment to continue contributing to the revitalisation of the Basque economy, industry and employment along with that of the 600 companies in the region with which it collaborates.

At the meeting, Galán shared the socio-economic impact of Iberdrola's activity in the Basque Country which, in the 2020-2025 period, coinciding with its ambitious investment plan, will exceed 15 billion euros, therefore reinforcing its role as one of the main driving forces of activity in the Basque Country. In this commitment to continue leading the energy transition and boosting the value chain, almost half of the impact of its activity by 2025 will be purchases from Basque suppliers.

In 2020, Iberdrola's socioeconomic contribution to the Basque Country amounted to 2.3 billion euros, with purchases worth 1 billion euros from Basque suppliers, through which Iberdrola supports 17,000 jobs in the region. Investments amounted to 160 million euros.

Iberdrola's economic activity in the Basque Country generated a tax contribution of 740 million euros last year. A total of 250 million euros was allocated to dividends distributed among its more than 65,000 shareholders in the Basque Country.

The meeting between Galán and Urkullu is being held on the eve of the General Shareholders' Meeting, which the company is holding remotely on Friday, 18 June in the capital of Bizkaia due to COVID-19 restrictions.

Opportunities to develop the green economy

The Iberdrola chairman referred to the opportunity to build the optimal ecosystem for robust, sustainable and inclusive growth in the Basque Country around the green economy, which promotes the revitalisation of Basque industry and improvement in the competitiveness of its business fabric, as well as the creation of quality employment in sectors of the future. All of this while maintaining stable frameworks and incentives for investment.



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Galán also highlighted the key role that hundreds of Basque companies can play in Iberdrola's growth and internationalisation process. He also reviewed some of the main investments the company is planning in the Basque Country, such as, for example, the Aixear initiative, which -in collaboration with the EVE- involves farms with a capacity of 250 MW in Álava. Or Ekienea, the 100 MW photovoltaic plant in which it is participating, with an investment of 70 million euros.

Electricity grids are also another of the company's priorities, in which it wants to continue investing in order to meet the growth in demand and renewable production and distributed generation and improve the resilience of the electricity grid to meet the challenges of climate change. Through its distribution company i-DE, Iberdrola has a plan to invest up to 300 million euros in smart grids in the Basque Country in order to meet the country's climate targets, which would require removing barriers to investment in this area.

The conversation between Galán and Urkullu also focused on innovation and the future technologies that will contribute to the decarbonisation of the economy, such as green hydrogen. Galán stressed that, as is the case with electricity grids, Iberdrola's green hydrogen projects around the world amount to billions of euros and represent great opportunities for Basque equipment suppliers.

In this regard, he highlighted the participation by companies such as Elecnor and Consonni in the largest green hydrogen project in Europe, which Iberdrola is developing in Puertollano, Ciudad Real, and which will be operational this year. He also detailed the key points to the Basque 'Y' for green hydrogen in the Basque Country; a project led by Iberdrola and backed by Basque institutions and companies, which promotes the installation of hydrogen generators in Vitoria, Bilbao and San Sebastian and would generate purchases from 30 local suppliers.

About Iberdrola

[Iberdrola](#) is a leading global energy supplier – the third-largest by market capitalisation in the world and the leader in renewables – championing the energy transition towards a low-emissions economy. The group supplies energy to around 100 million people in dozens of countries and has renewable, grid and commercial activities in Europe (Spain, the UK, Portugal, France, Germany, Italy and Greece), the US, Brazil, Mexico and Australia, while counting markets including Japan, Ireland, Sweden and Poland among its growth platforms.

With a workforce of more than 37,000 and assets of over €122.518 billion, it recorded turnover in excess of €33 billion and net profit slightly exceeding €3.6 billion in 2020. The company contributes to the maintenance of 400,000 jobs in its supply chain, with an annual procurement budget of €14 billion. A leader in the fight against climate change, Iberdrola has committed more than €12 billion over the last two decades to building a sustainable energy model based on sound environmental, social and governance (ESG) principles.

