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Iberdrola's Annual General Meeting, the first fully remote one in its history, registered 77.04% shareholder participation

Ignacio Galán: “We will speed up investments as soon as possible to contribute to economic activity and promote employment”

From Iberdrola Tower in Bilbao, the group Chairman stated: “Over the past few days we’ve brought forward over €3.8 billion in orders to thousands of suppliers, with purchases in progress for delivery by 2023 standing at more than €20 billion”

- **Massive shareholder support for the management of the group:** all the blocks of agreement, containing the 24 proposed resolutions included in the AGM agenda, obtained more than 94% votes in favour. This shows once again investors’ confidence in the management led by Ignacio Galán.
- **Integrated plan to combat COVID-19:** from the moment the threat of coronavirus became apparent, the company put in place 107 measures to contain the spread of the pandemic and assure the supply of electricity to citizens
- **Acquisition of medical and protective supplies:** Iberdrola, in coordination with the authorities, is concluding purchases of ventilators, protective clothing and masks for the health system

MESSAGES FROM THE CHAIRMAN OF IBERDROLA TO SHAREHOLDERS

- **Acknowledgement to the company’s professionals:** “I wish to pay tribute to the extraordinary work being done by the thousands of professionals in our companies worldwide who are showing a great sense of duty and enormous competence in the service of their fellow citizens. With their selfless dedication and solidarity, they are all helping to write new chapters in the history of our company.”
- **5,000 new hires in 2020:** “During this past year 3,500 new employees joined Iberdrola, and in 2020 we expect to reach the record figure of 5,000 new recruits. This will bring us to more than 40,000 employees.”
- **Relevant fiscal contribution:** “Our activity will also have a positive effect on all the citizens of the countries where we are present. Our worldwide tax contribution was more than €14 billion last year”

Bilbao. The chairman of Iberdrola, Ignacio Galán, today addressed the more than 600,000 shareholders of the company in what was the first 100% remote AGM in its history. During his address from the Iberdrola Tower in Bilbao, he appealed for



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responsibility and collaboration in mitigating the effects of the crisis brought about by the [coronavirus](#) (COVID-19) pandemic.

With shareholders representing 77.04% of the share capital “present”, which was particularly significant given the fact that this AGM was held remotely, all the blocks of agreement on the agenda were supported, with more than 94% of votes in favour, distributed as follows:

- Group 1 (Annual accounts and conduct of the company’s business): 98.99%
- Group 2 (Corporate governance system): 99.92%
- Group 3 (Remuneration): 97.82%
- Group 4 (Board of Directors): 97.90%
- Group 5 (Authorizations and delegation of powers): 94.93%

During his address, Ignacio Galán announced that, in view of the current situation, “as soon as possible we will speed up our investments in order to contribute to economic activity and prevent people’s jobs from being lost. Of course, the most appropriate health and safety measures will be applied for all those who deliver these projects.”

He went on to say: “We share with you the certainty that speeding up investments, once these exceptional circumstances come to an end, is the best - I would venture to say the only - way to get through this situation of crisis and uncertainty. Therefore, in 2020, it is our intention to surpass last year’s investment record and reach €10billion.”

As a result of this effort, at least half of the 9,000 megawatts (MW) of new capacity currently under construction will be commissioned this year. Specifically, across the world Iberdrola is advancing on 30 photovoltaic solar plants, 50 onshore windfarms, new offshore wind farms such as Saint Briec in France, Baltic Eagle in Germany and Vineyard in the U.S.; the Tâmega pumped storage hydroelectric giga battery in Portugal, more than 5,000 kilometres of high voltage transmission lines in Brazil and new distribution networks in the states of New York, Maine and Connecticut.

Together with the new investments, Ignacio Galán announced an ambitious procurement plan which will give visibility to the entire supply chain while promoting economic activity and jobs: “In the last few days we’ve brought forward over €3.8 billion in orders to thousands of suppliers, with purchases in progress for delivery by 2023 standing at more than €20 billion.

“We will move forward with the total conviction that we will come through this situation and that this new infrastructure will be absolutely necessary,” he explained. “To this end, having taken on 3,500 new employees in 2019, we expect to reach the



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record figure of 5,000 new recruits in 2020. This will bring our global workforce to more than 40,000,” he added. At the same time, the company will uphold its full commitment to gender equality. Iberdrola is a leader in Ibex 35 companies based on the percentage of women on the Board, in the group as a whole there is equal pay for genders, and there is a growing number of women in all positions in the company.

Galán also highlighted the company’s firm commitment to caring for the environment and fighting climate change: “Our CO₂ emissions are now 110 grams per kWh, two-thirds lower than our competitors, and already below the objective that some of them are setting for 2030.”

Galán went on to reiterate “Iberdrola’s complete readiness to perform its role of locomotive as soon as we come through the current situation, at which time turbo-charging economic activity and jobs is going to be more necessary than ever. This activity will also have a very notable effect on public finances, benefiting all the citizens of the countries where we are present.” In 2019 alone, Iberdrola’s tax contribution amounted to €14 billion, of which €8 billion corresponded to direct taxes in the income statement or collected from customers and employees.

The Group’s employees, a model of selfless dedication and solidarity

The Chairman of Iberdrola devoted much of his address to thanking the company’s employees for their continuing work to ensure the supply of electricity during these difficult times: “I wish to pay tribute to the extraordinary work being done by the thousands of professionals of all the companies in our group who are showing, worldwide, a great sense of duty and enormous competence in the service of their fellow citizens. With their selfless dedication and solidarity, they are all helping to write new chapters in the history of our company.”

Ignacio Galán also discussed the company’s quick response to the threat of COVID-19 from the moment it became apparent, “with the objective of protecting the health of our employees and of our contractors; thus ensuring that homes and businesses can continue to have a normal supply of electricity, guaranteeing our workers’ jobs and doing everything in our power to prevent the jobs of the tens of thousands of people who work in our supply chain from being lost, while at the same time maintaining maximum health and safety precautions.”

During his address, the Chairman of Iberdrola also explained how the company is putting its logistical and financial capabilities to good use by acquiring, in agreement with the health authorities, medical and protective supplies for an amount of at least €25 million. Specifically, the company will deliver ventilators, protective clothing and masks to the health system in Spain.



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A total of 107 measures have been implemented by the group worldwide during this crisis, in which more than 90% of the office staff are working from home and in which the work of outside personnel of the power stations and transmission and distribution networks has been reorganised. “This integrated plan is allowing us to secure the continuity of electricity supply to the whole population while bolstering particularly sensitive infrastructure such as hospitals and healthcare centres with human and technical resources,” Galán added.

In summary, [Iberdrola’s response to the COVID-19 crisis](#) is “entirely consistent” with the model that it has been applying for decades, geared to sustainable value creation for shareholders, employees and society at large.

Review of 2019 and outlook for 2020

As always in the AGM, the Chairman of Iberdrola reviewed the previous year's results, which demonstrated how the company’s model, based on the “social market economy”, contributes value for the shareholders and generates wealth and sustainable development for employees and society.

In 2019 investments reached the record level of €8.15 billion, 32% more than in 2018. Projects totalling 5,500 MW of new capacity were commissioned (five times the average annual new installed capacity in recent years) and the company continued to strengthen and expand its network infrastructure around the world. The group’s EBITDA exceeded €10 billion for the first time and net profit grew by 13% to €3.4 billion. As a result, the Board of Directors was able to propose to today’s General Shareholders’ Meeting an increase in shareholders’ remuneration for 2019, to €0.40 per share.

Iberdrola also continued to focus on innovation during 2019, investing €280 million; which made it one of the world’s top three companies in the electricity industry in terms of resources devoted to R+D+I.

Ignacio Galán said: “Iberdrola faces the year 2020 with a well-established business model, focused on excellence in the service to our customers and on investment in sustainable energy infrastructure. We remain committed to contributing towards the generation of wealth and employment.” In reply to shareholders’ questions, he also stated that the company has sufficient liquidity to cover 18 months in a scenario of closed financial markets.

As for full-year guidance, Galán reaffirmed that “the investment plan, together with cost controls, even after allowing for the costs of the extraordinary measures taken and the acquisition of materials specified by the health authorities which will be delivered to them as they arrive, leads us to expect, with the data we have to date,



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that in 2020 the net profit will exceed that of 2019, with the dividend growing along the same lines.”

Concluding his address, the Chairman of Iberdrola reiterated his thanks to all the women and men who form ‘the Iberdrola family’, trade union representatives, and each and every one of the members of the Board of Directors, “for their work, help and constant support.” “In particular, Inés Macho and Denise Holt, who are leaving the Board after carrying out excellent work over the course of many years.” Galán ended by welcoming the new directors, Nicola Brewer from the U.K. and Regina Nunes from Brazil, “who I am sure are going to add value with all their experience and knowledge.”

About Iberdrola

[Iberdrola](#) is a global energy leader, the number one producer of wind power, and one of the world’s biggest electricity utilities in terms of market capitalisation. The group supplies energy to almost 100 million people in dozens of countries including Spain, the United Kingdom (ScottishPower), the United States (AVANGRID), Brazil (Neoenergia), Mexico, Germany, Portugal, Italy and France. With a workforce of more than 35,000 people and assets in excess of €122 billion, it achieved a turnover of over €36.4 billion and a net profit of €3.4 billion in 2019.

Iberdrola is leading the transition towards a sustainable energy model through its investments in renewable energy, smart grids, large-scale energy storage and digital transformation, to offer the most advanced products and services to its customers. Thanks to its commitment to clean energy, Iberdrola is one of the companies with the lowest emissions and an international benchmark for its contribution to sustainability and the fight against climate change.

