

Bilbao, 7 March 2024

To the National Securities Market Commission

Inside Information

Announcement of submission of non-binding indication of interest regarding the acquisition of all of the shares of common stock of Avangrid not owned by Iberdrola

Pursuant to article 17 of Regulation (EU) No 596/2014 on market abuse and article 226 of the restated text of the Securities Market Act, approved by Royal Legislative Decree 4/2015, of 23 October (*texto refundido de la Ley del Mercado de Valores, aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre*) and related provisions, we hereby inform you that, Iberdrola, S.A. (“**Iberdrola**”) has submitted, on March 6, 2024, to the Unaffiliated Committee of the Board of Directors of Avangrid, Inc (“**Avangrid**”) a preliminary non-binding indication of interest (“**NBO**”) proposing to acquire, through a merger or otherwise agreed by the parties, all of the shares of common stock (the “**Common Shares**”) of Avangrid that are not already beneficially owned by Iberdrola at a price of USD 34.25 in cash per share (the “**Proposed Transaction**”), which represents an implied premium of approximately 10% over the volume-weighted average price (VWAP) of the Common Shares for the 30 days previous to the date of the submission of the NBO. No future adjustments will be made to the consideration offered in the event that Avangrid distributes dividends pursuant to its normal policy.

The aggregate consideration payable by Iberdrola in the Proposed Transaction, based on the total estimated number of Common Shares that, based on the latest publicly available information, are not beneficially owned by Iberdrola as of the date of submission of the NBO, would amount to, approximately, USD 2,486 million, equivalent to EUR 2,280 million (applying a EUR/USD exchange rate of 1.09).

The execution of a definitive agreement regarding the Proposed Transaction is subject to the completion of confirmatory due diligence, the negotiation and execution of definitive transaction documentation and the approval of the Board of Directors of Iberdrola and the Unaffiliated Committee and the Board of Directors of Avangrid. Additionally, the consummation of the Proposed Transaction will be subject to certain conditions precedent customary for transactions of this nature, including receipt of any required regulatory authorizations, and, as required by the shareholders’ agreement between Iberdrola and Avangrid, the approval by Avangrid’s shareholders holding at least a majority of the issued and outstanding Common Shares not held by Iberdrola.

The transaction is framed within Iberdrola’s strategy to expand its footprint and investments in markets with a robust credit rating and high potential for investment in the networks business.

This information is provided to you for the appropriate purposes.

General secretary and secretary of the Board of Directors

NOTICE: This document is a translation of a duly approved Spanish-language document, and is provided for informational purposes only. In the event of any discrepancy between the text of this translation and the text of the original Spanish-language document which this translation is intended to reflect, the text of the original Spanish-language document shall prevail.
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IMPORTANT INFORMATION

This communication does not constitute an offer to purchase, sell or exchange or the solicitation of an offer to purchase, sell or exchange any securities. The shares of “Iberdrola, S.A.” may not be offered or sold in the United States of America except pursuant to an effective registration statement under the Securities Act or pursuant to a valid exemption from registration.

This communication contains forward-looking information and statements about “Iberdrola, S.A.”, including financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, capital expenditures, synergies, products and services, and statements regarding future performance. Forward-looking statements are statements that are not historical facts and are generally identified by the words “expects”, “anticipates”, “believes”, “intends”, “estimates” and similar expressions.

Although “Iberdrola, S.A.” believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of “Iberdrola, S.A.” securities are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of “Iberdrola, S.A.”, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in the public documents sent by “Iberdrola, S.A.” to the *Comisión Nacional del Mercado de Valores*.

Forward-looking statements are not guarantees of future performance. They have not been reviewed by the auditors of “Iberdrola, S.A.” You are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date they were made. All oral or written forward-looking statements hereby made or otherwise attributable to “Iberdrola, S.A.” or any of its members, directors, officers, employees or any persons acting on its behalf are expressly qualified on its entirety by the cautionary statement above. All the forward-looking statements included herein are based on information available to “Iberdrola, S.A.” on the date hereof. Except as required by applicable law, “Iberdrola, S.A.” does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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