Strategic Vision

Ignacio S. Galán
Chairman & CEO
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Iberdrola: Track record and positioning
Iberdrola’s building blocks: social market economy and a proactive contribution to UN Sustainable Development Agenda…

...fully integrated in the company’s strategy and corporate governance system
Track record and positioning

20 years *anticipating* the *energy transition*

- **Investing in cleaner and more reliable power systems...**
  - Renewable energy
  - Smart grids
  - Efficient storage

- **...optimising our portfolio...**
  - Closure of coal and oil plants
  - Divestment of non-core assets

- **...maximising efficiency...**
  - Best-in-class operations
  - Supply chain management

- **...and pushing innovation**
  - Technology pioneer
  - Customer orientation
  - Energy and climate policy
Track record and positioning

One sustainable business model with innovative, flexible and efficiency-driven execution
Track record and positioning

Increasing **geographical diversification** and maintaining **financial strength**

### Geographical diversification

- **Core geographies**
  - Growth, attractive ratings and ambitious climate policies

- **Expanding to new areas**
  - Organic growth + “greenfield M&A”

- **Track record of successful integration processes**

### Financial strength

- **Sustained cash flow generation**
- **Green bonds issuing leader**
- **Efficient liability management**
- **Open access to financial markets and structures**
Track record and positioning

2000-2020: Constant improvement on ESG metrics…

<table>
<thead>
<tr>
<th>Environmental</th>
<th>Social</th>
<th>Governance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Renewable Capacity (MW)</strong></td>
<td><strong>Headcount</strong></td>
<td><strong>Independent Board Members</strong></td>
</tr>
<tr>
<td>x4</td>
<td>x3.2</td>
<td>+65%</td>
</tr>
<tr>
<td><strong>Emissions Reduction (gCO2/kWh)</strong></td>
<td><strong>Purchases Volume (Eur M)</strong></td>
<td></td>
</tr>
<tr>
<td>-70%</td>
<td>x4.5</td>
<td></td>
</tr>
<tr>
<td><strong>Fuel-oil &amp; coal generation (MW)</strong></td>
<td><strong>Training hours per employee</strong></td>
<td><strong>Board Diversity</strong></td>
</tr>
<tr>
<td>8,500 (2000)</td>
<td>39.8 (2000)</td>
<td>1</td>
</tr>
<tr>
<td>-100%</td>
<td>+38%</td>
<td>Nationalities</td>
</tr>
<tr>
<td>0 (2019)</td>
<td>54.9 (2019)</td>
<td>6</td>
</tr>
<tr>
<td><strong>2000</strong></td>
<td><strong>2019</strong></td>
<td><strong>2000</strong></td>
</tr>
<tr>
<td>2000</td>
<td>71%</td>
<td>0%</td>
</tr>
<tr>
<td>2019</td>
<td>43%</td>
<td>43%</td>
</tr>
</tbody>
</table>
Track record and positioning

...combined with an outstanding 20-year financial performance (ESG+F)

**Financial**

- **Market Cap¹ (Eur Bn)**
  - 2000: 12
  - 2019: 70
  - Increase: x6

- **EBITDA (Eur Bn)**
  - 2000: 2.1
  - 2019: 10.1
  - Increase: x5

- **Net Profit² (Eur M)**
  - 2000: 852
  - 2019: 3,466
  - Increase: x4

- **Dividend per Share³ (Eur)**
  - 2000: 0.136
  - 2019: 0.400
  - Increase: x3

- **Green & Sustainable Financing (Eur M)**
  - 2000: 22,077
  - 2019: 22,077
  - Increase: x1

- **Financial Leverage**
  - 2000: 51%
  - 2019: 45%

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¹ Market Cap as of October 2020
² Net Profit 2019 restated for the recognition of the financial cost of the hybrid bond
³ DPS price announced to be paid on the following year
Track record and positioning

From a traditional local utility to a global diversified Group…

Financial

EBITDA by Business
- Networks
- Generation and Retail
- Renewables

EBITDA by Currency
- EUR
- GBP
- USD
- BRL

…based on regulated business and renewables

80% in countries with credit rating ≥A¹

¹/ Under Standard & Poor’s categorization
A new energy context
A new energy context

The **driving forces** transforming the energy sector are **strengthening**...

...while **climate action momentum** is growing **all around the world**
A new energy context

The **share of electricity** will **double by 2050** increasing overall energy efficiency

### Total Final Energy Consumption

<table>
<thead>
<tr>
<th>Year</th>
<th>Mtoe</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020e</td>
<td>~10,000</td>
</tr>
<tr>
<td>2030e</td>
<td>~9,700</td>
</tr>
<tr>
<td>2050e</td>
<td>~9,000</td>
</tr>
</tbody>
</table>

**-10%**

### Electricity demand

<table>
<thead>
<tr>
<th>Year</th>
<th>TWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020e</td>
<td>23,000</td>
</tr>
<tr>
<td>2030e</td>
<td>28,000</td>
</tr>
<tr>
<td>2050e</td>
<td>41,000</td>
</tr>
</tbody>
</table>

**2x**

### Share of electricity as a % of final energy

- 20% in 2020e
- 24% in 2030e
- 37% in 2050e

**Green electrification**, key to accelerate the **new energy model**

A new energy context

Multiplying annual investment by 3x to USD ~2.7 trillion in 2030 (vs USD ~900 Bn in 2020) along all the electricity value chain

**TRANSPORT**
- Electric Vehicles
- Railway
- Maritime
- …

**BUILDINGS**
- Heat pumps
- Energy efficiency
- Smart-homes
- …

**INDUSTRY**
- Electrification of processes
- Green Hydrogen
- Efficiency
- …

### Electrification by sector

<table>
<thead>
<tr>
<th>Year</th>
<th>% supplied by electricity</th>
<th>Electricity demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020e</td>
<td>1%</td>
<td>~400 TWh</td>
</tr>
<tr>
<td>2030e</td>
<td>4%</td>
<td>~1,400 TWh</td>
</tr>
<tr>
<td>2050e</td>
<td>21%</td>
<td>~5,600 TWh</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>% supplied by electricity</th>
<th>Electricity demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020e</td>
<td>33%</td>
<td>~11,600 TWh</td>
</tr>
<tr>
<td>2030e</td>
<td>44%</td>
<td>~13,700 TWh</td>
</tr>
<tr>
<td>2050e</td>
<td>58%</td>
<td>~18,000 TWh</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>% supplied by electricity</th>
<th>Electricity demand</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020e</td>
<td>28%</td>
<td>~9,200 TWh</td>
</tr>
<tr>
<td>2030e</td>
<td>33%</td>
<td>~11,000 TWh</td>
</tr>
<tr>
<td>2050e</td>
<td>43%</td>
<td>~14,000 TWh</td>
</tr>
</tbody>
</table>

Need of more power generation and transmission & distribution and storage infrastructures

A new energy context

Extensive use of **renewable energy**, at the core of the transition to a **sustainable energy system**…

GW

Global renewable capacity

- **2020e** ~2,900
- **2030e** ~7,000
- **2050e** ~15,500

+9% CAGR
+4,100 GW
+4% CAGR
+8,500 GW

Total renewable capacity 2020 ~2,900

- ~4,100 Thermal and nuclear substitution with Renewables
- +1,900
- +2,200 New Uses

Total renewable capacity 2030 ~7,000

…driven by **lower costs** and **energy policy targets**

A new energy context

Renewable capacity to increase by ~4,100 GW \((2.4x)\) up to 2030, mostly solar PV and wind

**Additional capacity to 2030e by technology**

<table>
<thead>
<tr>
<th>Technology</th>
<th>Capacity Increase (GW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solar PV</td>
<td>+2,400</td>
</tr>
<tr>
<td>Onshore Wind</td>
<td>+1,000</td>
</tr>
<tr>
<td>Offshore Wind</td>
<td>+200</td>
</tr>
<tr>
<td>Hydro</td>
<td>+350</td>
</tr>
<tr>
<td>Biomass</td>
<td>+100</td>
</tr>
<tr>
<td>Others</td>
<td>+50</td>
</tr>
</tbody>
</table>

**Capacity growth**

- Offshore Wind: 7x
- Solar PV: 4x
- Onshore Wind: 3x

Global renewable growth, a common trend in all geographies

1/ Rest of Europe includes France, Germany, Italy, Sweden, Hungary, Romania, Cyprus and Greece

Source: Company data elaborated from Bloomberg NEF “New Energy Outlook 2019”
A new energy context

Unprecedented level of investment in Transmission & Distribution Networks…

Annual average global investments in Networks
USD Bn

- 2010-20: 276
- 2020-30: 437
- 2030-40: 829

…driven by:

- New interconnections
- Increasing need of renewables integration
- Smart grids
- Maintenance and reinforcement requirements
- Measures to increase efficiency and to minimise the environmental impact

A new energy context

Customers, at the core of the transition: electrification of energy demand and new services…

Residential Customers

- Placing customers at the heart of the transition
  - Smart Solar & others
  - Electric Vehicles
  - Heating & Cooling
  - Battery Storage

Industrial & Commercial Customers

- Increasing use of electricity in industrial processes
  - Energy efficiency
  - Electrification of processes
  - Smart Solutions
  - Green Hydrogen

Access to customers as an opportunity to offer additional services

…accelerated by technology, digitalisation and efficiency
A new energy context

Green Hydrogen, key to decarbonize **industrial uses** and hard-to-abate sectors

Current EU final energy demand

Electrifiable with available clean technologies

84% 16%

Need for **Green Hydrogen**: the remaining 16% will be crucial for the decarbonisation

Current Opportunities

From grey to Green Hydrogen in current uses

- Industrial feedstock
- Chemicals

Future Opportunities

Hard-to-abate sectors

- Maritime transport
- Air transport
- Long-haul heavy transport

Source: Elaborated from data corresponding to Europe energy demand (EUROSTAT)
A new energy context

Production of **Green Hydrogen** will boost **renewable energy**:

More renewable energy

Supply chain (electrolysers)

High/medium intensive energy users demand **Green Hydrogen** to reduce emissions

Replacing all **grey hydrogen** in the world would require **3,000 TWh/year**\(^1\) from **new renewables**

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\(^1\) Equivalent to current demand of Europe
### A new energy context

#### Increasing need for Storage…

<table>
<thead>
<tr>
<th>Country</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>UK</td>
<td>~7 GW batteries (&lt;2h) by 2030</td>
</tr>
<tr>
<td>Germany</td>
<td>18 GW batteries by 2035, mostly linked to distributed PV</td>
</tr>
<tr>
<td>France</td>
<td>1.5 GW pumped-hydro by 2030-35</td>
</tr>
<tr>
<td>Portugal</td>
<td>0.5 GW by 2030</td>
</tr>
<tr>
<td>Spain</td>
<td>6 GW by 2030 (NECP(^1))</td>
</tr>
<tr>
<td>Italy</td>
<td>+6 GW pumped-hydro/batteries by 2030</td>
</tr>
<tr>
<td></td>
<td>+3 GW of distributed batteries</td>
</tr>
<tr>
<td>Greece</td>
<td>+0.8 GW pumped-hydro</td>
</tr>
<tr>
<td></td>
<td>+1.2 GW batteries</td>
</tr>
</tbody>
</table>

...with several **targets** being implemented across Europe

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1/ NECP: National Energy and Climate Plan
Iberdrola
Strategic Outlook
Iberdrola Strategic Outlook

Consolidating our **successful business model**

**Power decarbonisation**
- Offshore Wind
- Solar PV
- Onshore Wind
- Pumped Hydro
- Battery Storage

**Networks system integration**
- Automation
- Smart Grids
- HVDC
- DSO Model

**Demand electrification**
- Transport
- Buildings
- Industry
- Heat Pumps
- Electric Vehicles

**More**
- Renewable Energy
- Networks
- Storage
- Energy solutions for our Customers
Iberdrola Strategic Outlook

Building on the **strategic pillars** that have triggered 2 decades of sustained growth…

- **Geographical diversification**: countries with high rating and ambitious climate policies
- **Energy transition**: enabling decarbonisation and electrification
- **Efficiency**: continuous drive for excellence
- **Portfolio optimization**: contributing to the environmental and financial sustainability of our business model
- **Innovation**: laying the foundations for the future

…to **accelerate value creation** for all stakeholders in the **new scenario**
Iberdrola Strategic Outlook

Focused on countries with aggressive **climate and energy targets**

**Carbon neutrality by 2050**

**EU Green Deal (goals by 2030):**
- Emissions: -55% (vs 1990)
- Renewable generation: 65%
- Green Hydrogen: 40 GW

**Eur 750 Bn Next Generation EU funds:**
- 90% (Eur 670 Bn) focused on green and digital transitions and the resilience of national economies

**Eur 750 Bn Next Generation EU funds:**
- Emissions: -26% to -28% by 2025 (vs 2005)
- State Carbon Neutrality targets
- State Offshore targets in CT, MA, ME, NY, NJ, MD, VA to meet ~28GW by 2035
- Renewable Portfolio Standards

**Energy & Climate Integrated plan (2030):**
- Renewable generation: 74% by 2030 (+22 GW wind; +30 GW solar; +6 GW storage)
- Electric Vehicles: 5 million
- Green Hydrogen: 4 GW of electrolysers
- Green investments: Eur 241 Bn

**Eur 140 Bn Next Generation EU funds:**
- 37% focused on the green transition

**Targets:**
- Emission: -37% to -43% by 2025 (vs 2005)
- Renewable gen.: 23% by 2030 (exc. hydro)

**Energy Expansion Plan (goals by 2029):**
- +24.5 GW wind
- +8.4 GW large scale solar
- +9.8 GW distributed solar

**Targets:**
- Emissions: -28% by 2030 (vs 2005)
- Emissions: Net-Zero by 2050 at state level
- Renewables: State targets

**Other Offshore targets by 2030:**
- Ireland: 5 GW
- Poland: 10 GW
- Belgium: 4 GW
- Denmark: 5 GW
- The Netherlands: 11 GW
Iberdrola Strategic Outlook

One of the largest RENEWABLE pipelines in the industry: >70 GW (~7 GW under construction)...

Renewable Pipeline

70.5 GW

...equivalent to >150 GW of solar PV pipeline in terms of investment

1/ Rest of Europe includes France, Germany, Italy, Sweden and Greece
Excellent position in **NETWORKS**: investment opportunities & stable frameworks

### Networks

- Grid modernization
- Smart Grids and Meters
- New interconnections
- New transmission assets to support state renewable goals
- Improved resiliency vs extreme events
- Demand growth
- Improvement in losses and quality
- Smart Grids and Meters
- Integration of renewables
- New transmission assets
- Smart Grids and Meters
- Integration of renewables
- New transmission assets
- Integration of renewables
- Smart Grids
- Grid reinforcement
- Environmental mitigation
Iberdrola Strategic Outlook

Leveraging on our **CUSTOMER** base to serve **increasing electricity consumption** and develop **new solutions**…

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**Customers**

- Presence in **10 countries**
  - Consolidated markets: Spain, UK
  - Fast growing: Portugal, Italy, France
  - New opportunities: Brazil, USA, Germany, Ireland

> **40 million**¹ contracts

…while growing in **new markets**

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**Electricity supply & other solutions**

- Residential
  - Smart Solar & others
  - Electric Vehicles
  - Heating & Cooling
  - Battery Storage

- Industrial & Commercial
  - Electrification of processes
  - Green Hydrogen
  - Smart Solutions

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¹ Total Contracts include contracts in the retail business, as well as contracts served under regulated distribution business in US and Brazil.
GREEN HYDROGEN, a new growth opportunity for Iberdrola

Increase the share of renewable energy demand for industrial use

Supporting the creation of new manufacturers of electrolysers

Industrial alliances with leading companies
(i.e. Fertiberia, leading European producer of sustainable fertilisers)
Scenario
2020-2025
Scenario 2020-2025

Electricity demand impacted by the current **health and economic crisis**

**Spain**
- Previous plan: +1.0%
- New plan: +0.4%

**UK**
- Previous plan: -0.2%
- New plan: -1.2%

**USA**
- Previous plan: +1.2%
- New plan: +1.0%

**Brazil**
- Previous plan: +4.1%
- New plan: +1.3%

**Electricity demand growth (CAGR_{2019})**
Lower commodity prices result in lower electricity prices

Scenario 2020-2025

Commodity Prices

Oil, $/bbl

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>64</td>
<td>42</td>
<td>48</td>
</tr>
<tr>
<td></td>
<td>56</td>
<td>50</td>
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</tr>
<tr>
<td></td>
<td>63</td>
<td>63</td>
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</tr>
</tbody>
</table>

Gas, $/mmBtu

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>5</td>
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<td>7</td>
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</table>

CO₂, €/t

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>25</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td>24</td>
<td>24</td>
<td>24</td>
</tr>
</tbody>
</table>

Power Prices

Spain, €/MWh

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>61</td>
<td>57</td>
<td>55</td>
</tr>
<tr>
<td></td>
<td>54</td>
<td>54</td>
<td>54</td>
</tr>
<tr>
<td></td>
<td>49</td>
<td>49</td>
<td>49</td>
</tr>
<tr>
<td></td>
<td>50</td>
<td>50</td>
<td>50</td>
</tr>
</tbody>
</table>

UK, £/MWh

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>62</td>
<td>56</td>
<td>56</td>
</tr>
<tr>
<td></td>
<td>53</td>
<td>53</td>
<td>53</td>
</tr>
<tr>
<td></td>
<td>48</td>
<td>48</td>
<td>48</td>
</tr>
<tr>
<td></td>
<td>47</td>
<td>47</td>
<td>47</td>
</tr>
</tbody>
</table>

Average 2019-2025e

- Spain: €46/MWh
- UK: £45/MWh

Source: prices derived from market quotations and estimates from analysts (Platts, WoodMac, IHS-CERA, Aurora, US-EIA)
Scenario 2020-2025

Depreciation of average FX rates

Average FX rates vs. Euro 2022e

- **$**: 
  - Previous plan: 1.17
  - New plan: 1.19

- **£**: 
  - Previous plan: 0.88
  - New plan: 0.90

- **BRL**: 
  - Previous plan: 4.49
  - New plan: 6.65
### Scenario 2020-2025

**Decrease of interest rates**

<table>
<thead>
<tr>
<th>Currency</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Previous plan</td>
<td>New plan</td>
</tr>
<tr>
<td>€</td>
<td>1.25%</td>
<td>-170 bps</td>
</tr>
<tr>
<td>$</td>
<td>2.85%</td>
<td>-255 bps</td>
</tr>
<tr>
<td>£</td>
<td>2.30%</td>
<td>-220 bps</td>
</tr>
<tr>
<td>¥</td>
<td>7.50%</td>
<td>-380 bps</td>
</tr>
</tbody>
</table>
Outlook
2020-2022\textsuperscript{1}

\textsuperscript{1} Includes Iberdrola estimates of PNM Resources
Outlook 2022

Increasing investments and efficiency measures…

Higher Gross Investment 2018-2022e

- Eur Bn
- Previous Plan (Feb’19): 38
- New Plan: 50
- +35%

Efficiencies 2018-2022e

- Accumulated Efficiencies 2018-2022e (Eur M)
- Previous Plan (Feb’19): ~1,600
- New Plan: 1,200

- Higher RENEWABLE investments in all geographies, particularly in Spain, IEI and the US
- Corporate transactions already announced: PNM Resources, Infigen and others in France, Japan and Sweden

1/ Includes Iberdrola estimates for PNM Resources
Net Profit 2022: Gaps vs. Previous Plan

...offsetting the impact of external factors: increasing 2022 Net Profit Outlook

<table>
<thead>
<tr>
<th>FX effect</th>
<th>-500</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market conditions</td>
<td></td>
</tr>
<tr>
<td>(demand, prices)</td>
<td></td>
</tr>
<tr>
<td>Lower allowed returns in Networks</td>
<td></td>
</tr>
<tr>
<td>Higher investments</td>
<td>+650</td>
</tr>
<tr>
<td>Lower interest rates</td>
<td></td>
</tr>
<tr>
<td>Higher efficiencies and others</td>
<td></td>
</tr>
</tbody>
</table>

2022e Net Profit

- Eur 4.0 – 4.2 Bn

Previous Plan 2022e Net Profit

- Eur 3.7 – 3.9 Bn

Shareholder remuneration growing in line with results, with a floor of 0.40 Eur/share

---

1/ 2022e Net Profit includes Iberdrola estimates for PNM Resources
Outlook

2020-2025\(^1\)

\(^1\) Includes Iberdrola estimates of PNM Resources
Outlook 2020-2025: Investments

Gross investments of **Eur 75 Bn** in 2020-2025 (6 years):

**Eur 68 Bn** of organic investments and **Eur 7 Bn**\(^1\) of PNM Resources transaction

---

**Annual Organic Investments**

- **Average 2017-2019**: \(\sim 7\) Eur Bn
- **Average 2020e-2022e**: \(\sim 10\) Eur Bn
- **Average 2023e-2025e**: \(\sim 13\) Eur Bn

Growth represents 75% of total organic investments (Eur 50 Bn)

1/ Iberdrola estimates of PNM Resources transaction investment
Outlook 2020-2025: Organic Investments

70% of organic investments up to 2025 already secured

2020e - 2025e

Networks

~90%

Renewables

~60%
Outlook 2020-2025: Organic Investments

51% of investment in **renewables** and ~85% in **Europe and the USA**…

**Gross Organic Investments by Business**

- Liberalised: 9%
- Networks: 40%
- Renewables: 51%

**Gross Organic Investments by Geography**

- Countries with credit rating ≥A:
  - Spain: 21%
  - UK: 16%
  - IEI (Europe and Australia): 16%
  - Brazil: 11%
  - Mexico: 2%
  - USA: 34%

...more than 83% allocated to **A-rated** countries

1/ Under Standard & Poor’s categorization
Outlook 2020-2025: Operating Figures

Renewable Installed Capacity 2x

GW

With more than 20 GW of capacity in other generation technologies
Outlook 2020-2025: Operating Figures

Renewable Capacity by Technology

<table>
<thead>
<tr>
<th>Year</th>
<th>Onshore Wind</th>
<th>Offshore Wind</th>
<th>Hydro</th>
<th>Solar PV</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>32 GW</td>
<td>17 GW</td>
<td>13 GW</td>
<td>1 GW</td>
</tr>
<tr>
<td>2022e</td>
<td>44 GW</td>
<td>22 GW</td>
<td>14 GW</td>
<td>7 GW</td>
</tr>
<tr>
<td>2025e</td>
<td>~60 GW</td>
<td>26 GW</td>
<td>14 GW</td>
<td>15 GW</td>
</tr>
</tbody>
</table>

Offshore wind contributes 5x EBITDA/MW vs solar PV and 3x vs onshore wind
Iberdrola Energía Internacional (IEI) reaches **8 GW** of capacity by 2025, **25%** over total additions…

### Renewable Capacity by Geography

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SPA</td>
<td>UK</td>
<td>SPA</td>
</tr>
<tr>
<td></td>
<td>32</td>
<td>(2 GW)</td>
<td>44</td>
</tr>
<tr>
<td></td>
<td>USA</td>
<td>(7 GW)</td>
<td>USA</td>
</tr>
<tr>
<td></td>
<td>MEX</td>
<td>(1 GW)</td>
<td>MEX</td>
</tr>
<tr>
<td></td>
<td>IEI</td>
<td>(1 GW)</td>
<td>IEI</td>
</tr>
<tr>
<td></td>
<td>BRA</td>
<td>(4 GW)</td>
<td>BRA</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

…and contributing **1 GW** to new **offshore wind**
Outlook 2020-2025: Operating Figures

Regulated Assets\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>Regulated Assets</th>
<th>Additional Transmission Investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>~30.4</td>
<td>~2</td>
</tr>
<tr>
<td>2022e</td>
<td>~38</td>
<td>~4</td>
</tr>
<tr>
<td>2025e</td>
<td>~47</td>
<td>~43</td>
</tr>
</tbody>
</table>

1/ Includes regulated generation in the US. Includes Iberdrola estimates for PNM Resources.
Outlook 2020-2025: Operating Figures

Regulated Assets\(^1\) by Geography

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SPA</strong></td>
<td>31%</td>
<td>25%</td>
<td>23%</td>
</tr>
<tr>
<td><strong>BRA</strong></td>
<td>30%</td>
<td>39%</td>
<td>40%</td>
</tr>
<tr>
<td><strong>USA</strong></td>
<td>14%</td>
<td>15%</td>
<td>17%</td>
</tr>
<tr>
<td><strong>UK</strong></td>
<td>25%</td>
<td>21%</td>
<td>20%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>30.4</td>
<td>~38</td>
<td>~47</td>
</tr>
<tr>
<td><strong>Eur Bn</strong></td>
<td></td>
<td>Eur Bn</td>
<td>Eur Bn</td>
</tr>
</tbody>
</table>

83% of assets in **A-rated** countries

---

\(^1\) Includes regulated generation in the US. Includes Iberdrola estimates for PNM Resources
Outlook 2020-2025: Operating Figures

Contracts

Million

- 2019: 42 Million
  - Electricity: 30 Million
  - Others: 12 Million

- 2022e: 50 Million
  - Electricity: 33 Million
  - Others: 17 Million

- 2025e: ~60 Million
  - Electricity: 36 Million
  - Others: ~24 Million

1/ Total Contracts include contracts in the retail business, as well as contracts served under regulated distribution business in US and Brazil.
### Outlook 2020-2025: Operating Figures

#### Contracts by Geography

<table>
<thead>
<tr>
<th>Year</th>
<th>SPA</th>
<th>IEI</th>
<th>BRA</th>
<th>USA</th>
<th>UK</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>40%</td>
<td>3%</td>
<td>33%</td>
<td>16%</td>
<td>8%</td>
</tr>
<tr>
<td>2022e</td>
<td>37%</td>
<td>9%</td>
<td>29%</td>
<td>16%</td>
<td>9%</td>
</tr>
<tr>
<td>2025e</td>
<td>34%</td>
<td>16%</td>
<td>26%</td>
<td>17%</td>
<td>7%</td>
</tr>
</tbody>
</table>

1. Total Contracts include contracts in the retail business, as well as contracts served under regulated distribution business in US and Brazil.
Outlook 2020-2025: Operating Figures

Investing in **Green Hydrogen**, in line with **EU recovery plans**

- **Green Hydrogen**
  - **MW**
  - **Tons H₂**

<table>
<thead>
<tr>
<th>Year</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td>MW</td>
<td>0</td>
<td>50</td>
<td>~600</td>
</tr>
<tr>
<td>Tons H₂</td>
<td>0</td>
<td>1,000</td>
<td>~15,000</td>
</tr>
</tbody>
</table>

- First projects in **Spain**: Puertollano and Palos, aligned with the 2030 strategy by the Government (4 GW)
- Starting to develop projects in **other countries**
- Benefiting from the **European Green Deal** support scheme
Outlook 2020-2025: Efficiency

Achieving efficiencies of close to ~Eur 1.5 Bn in 2020-2025, of which Eur 1 Bn in 2023-2025…

NOE / Gross Margin

Average 2017-2019: ~27%
Average 2020e-2022e: ~26%
Average 2023e-2025e: ~25%

NOE / Gross Margin ratio constantly improving, to reach below 25% by 2025
Outlook 2020-2025: EBITDA

EBITDA grows ~Euro 5 Bn from 2019 (CAGR 6-7%)…
Outlook 2020-2025: EBITDA

...increasing the share of renewables and geographic diversification...

EBITDA 2025e by Business

- Liberalised: 22%
- Networks: 47%
- Renewables: 31%
- ~15 Eur Bn

EBITDA 2025e by Currency

- BRL: 12%
- USD: 30%
- EUR: 40%
- GBP: 17%
- AUD: 1%
- Countries with credit rating ≥A

...with more than 80% of EBITDA in A-rated countries

1/ Under Standard & Poor's categorization
Outlook 2020-2025: Growth

Net Profit increase of ~Eur 1.5 Bn to reach Eur ~5 Bn in 2025 (6-7% CAGR)…

...maintaining financial strength and solid rating

1/ Net Profit 2019 restated for the recognition of the financial cost of the hybrid bond
Outlook 2020-2025: Shareholder Remuneration

In a strong growth scenario, shareholder remuneration will grow in line with results.

Pay-out between 65% and 75% of EPS
(our earnings estimates would lead to a DPS in the range of approx. 0.53-0.56 in 2025)

Increasing DPS floor:
2020-2022: 0.40 Eur/share
2023-2025: 0.44 Eur/share (+10%)

Maintaining optionality for shareholders with the “Iberdrola Retribución Flexible” program, including share buy-back.
### Outlook 2020-2025: ESG

<table>
<thead>
<tr>
<th>Emissions per kWh</th>
<th>gCO₂/kWh</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>110</td>
<td>~100</td>
<td>&lt;70</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Biodiversity: reforestation</th>
<th>Tress, in Million</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2.5</td>
<td>8</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Water consumption</th>
<th>m³/GWh</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>583</td>
<td>&lt;500</td>
<td>&lt;420</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Smart Grid implementation</th>
<th>% of HV and MV grids</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>68</td>
<td>75</td>
<td>83</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Smart meters</th>
<th>Number, in Million</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>14.5</td>
<td>16.7</td>
<td>21.2</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>R&amp;D investment</th>
<th>Million Euros</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>280</td>
<td>330</td>
<td>400</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Training hours</th>
<th>Hours / employee year</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>55</td>
<td>&gt;55</td>
<td>&gt;55</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Customers: smart services</th>
<th>Number, in Million</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8</td>
<td>12</td>
<td>18</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Jobs supported</th>
<th>Contribution to employment</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>~400,000</td>
<td>&gt;400,000</td>
<td>&gt;500,000</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Women in leadership positions</th>
<th>% of management positions</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>20</td>
<td>25</td>
<td>~30</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Gender pay gap</th>
<th>% women / men ratio</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+5.2%</td>
<td>+/-2%</td>
<td>+/-2%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Electricity for All</th>
<th>Beneficiaries, in Million</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7</td>
<td>11.5</td>
<td>14</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Foundation</th>
<th>Beneficiaries, in Million</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.3</td>
<td>1.4</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Best practices in Governance</th>
<th>Inclusion in Corporate Governance System</th>
<th>✔️</th>
<th>✔️</th>
<th>✔️</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Cybersecurity</th>
<th>Annual number of security assessments</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>800</td>
<td>1,800</td>
<td>2,000</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Suppliers</th>
<th>% of supplier with sustainable policies</th>
<th>2019</th>
<th>2022e</th>
<th>2025e</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>48%</td>
<td>70%</td>
<td>75%</td>
<td></td>
</tr>
</tbody>
</table>
Accelerating EU emission reduction targets: already having just 1/3 of emissions vs those of our peers…

...we will reach zero emissions in Europe by 2030
Outlook 2020-2025: ESG

Global Emissions

\( \text{gCO}_2/\text{kWh} \)

- 350
- 110
- <70
- ~50

2000 ... 2019 2025e 2030e

-86%
Outlook 2020-2025: ESG

Iberdrola, at the forefront of **Corporate Governance** and Compliance

- **A leader in Corporate Governance for years in accordance with the highest national and international standards for listed companies:**
  
  Recognition for 7 consecutive years as a Spanish company with best Corporate Governance practices by the World Finance Corporate Governance Awards

- **Listed and non-listed country sub-holding companies and subsidiaries also have the highest international standards**

- **Ongoing review of corporate governance system**
  
  Ongoing implementation of best-in-class Diversity & Inclusion policies

- **Compliance System reflects best practices and international standards:**
  
  Included in the list of World Most Ethical Companies since 2014, published by the Ethisphere Institute (USA)
  ISO 37001 and UNE 19601 in force
  Compliance Leader Verification issued by Ethisphere Institute (USA)
  Award for the best compliance system 2018-2019 awarded by Expansión

**Full commitment to continue as a benchmark**