

## 2. Business Model and Strategy

## 2.1 The Future of Energy

### The challenge of climate change

Climate change is one of the most significant and urgent challenges facing humanity. Confronting this serious threat requires not only the commitment of companies and consumers, but also that of regulators and public institutions, which should adopt appropriate energy policies and regulations.

Electricity has a unique potential to contribute to this challenge due to its ability to integrate renewable energy into a number of productive processes. Therefore, it is first important to continue promoting increased penetration of renewable energy into the electricity supply. These technologies are now competitive with other sources of generation. And second there must be a drive to electrify of other industries like transport and the heating and cooling industries, which represent more than 50% of emissions and in which the penetration of electricity is still low.

The optimal integration of increased renewable generation also needs efficient and digitised transmission and distribution networks (smartgrids), as well as storage solutions.

### Current energy context

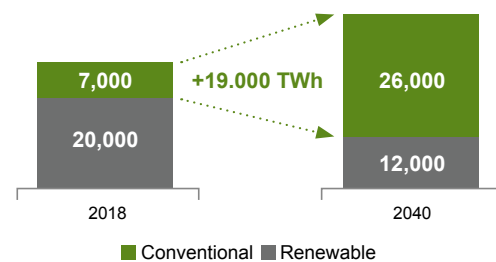
The World Economic Forum's Global Risks Report 2020 considers climate change to be the main risk to the global economy over the next decade. Society is increasingly aware of the need to transform the energy and production model, and is thus demanding that governments and companies take bold action with the ultimate goal of limiting the increase in temperature to less than 1.5°C by the end of the century.

According to the IPCC<sup>(1)</sup>, this will require reducing emissions by 45% by 2030 compared to those in 2010 and achieving zero net emissions by 2050. This puts electricity at the centre of decarbonisation. The electrification of sectors like transport and construction, in which the presence of electricity is still low, could multiply the total demand for electricity by the end of this century by up to six times the current demand, representing up to 71% of the final consumption of energy.

Within this context, a growing number of countries are announcing goals for emission neutrality by 2050. This includes the European Union, which has presented the European Green Deal as the roadmap for reaching this goal, with ambitious measures that promote the renewables-based electrification of transport, heating and industry.

The World Energy Outlook 2019<sup>(2)</sup> also anticipates that electricity will play a fundamental role in the world energy system, increasing its share in the total consumption of final energy from 19% in 2018 to 24% in 2040 in the main Stated Policies Scenario (STEPS), a scenario compatible with the objectives of the Paris Agreement (Sustainable Development Scenario, or SDS).

### Electricity generation by source (TWh) (WEO -Sustainable Development Scenario-)<sup>2</sup>



Progressive electrification will be based on renewable energy, which would reach 67% of total generation by 2040 in the SDS scenarios (44% in the STEPS scenario). The growth of renewable energy is being driven by the significant reduction in its production costs<sup>(3)</sup>, which have decreased by 49% for onshore wind, 84% for solar photovoltaic and 56% for offshore wind since 2010.

The electrification of the economy accords a key role to an efficient, smart and flexible electricity transmission and distribution infrastructure, capable of integrating renewable energy and of meeting new requirements in terms of connectivity, digitisation and demand management. Along these lines, the central scenario of the WEO2019 anticipates an average investment of around 400,000 million U.S. dollars per annum in grids by 2040, almost 45% of the total investment of the electricity sector over this period.

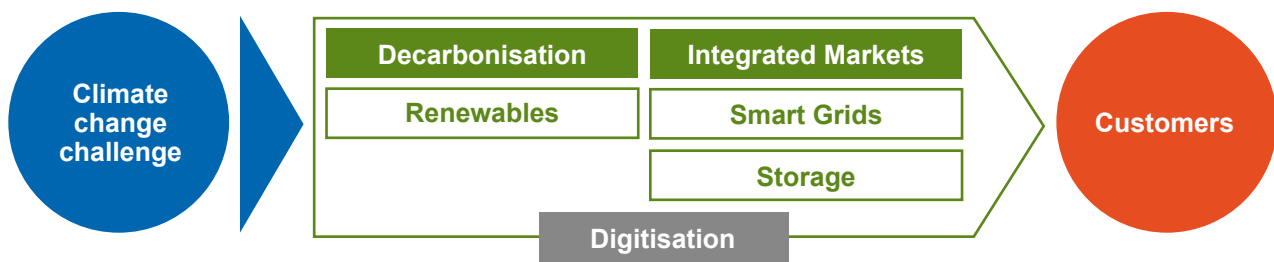
(1) Special Report of the Intergovernmental Panel on Climate Change (IPCC) on Global Warming of 1.5 °C.

(2) World Energy Outlook 2019 – International Energy Agency.

(3) Levelized cost of electricity (LCOE) - Bloomberg New Energy Finance (BNEF) (2019). New Energy Outlook.

## Iberdrola: we began the fight against climate change more than 20 years ago

Iberdrola began a profound transformation more than 20 years ago, when it committed to a sustainable, safe and competitive energy model, which allowed it to take on the fight against climate change. This has been the main driver of its profitable growth strategy, which has led it to invest more than 100,000 million euros over these two decades in order to achieve a decarbonised energy model. The group is in an optimal position to continue anticipating and managing risks and to capitalise on the opportunities offered by this energy transition based on its leadership in renewable energy, smart grids and storage, as well as its firm commitment to digitisation.



### Iberdrola's objectives

- **Reduce the intensity of emissions** of CO<sub>2</sub> 50% by 2030 compared to those in 2007, provide for its emissions to be virtually zero in Europe by 2030, and be carbon neutral by 2050.
- In March 2019 Iberdrola set a goal of reducing greenhouse gas emissions of absolute scope 1, 2 and 3, a commitment recognised according to Science Based Targets (SBTi).
- **Support international climate change negotiation processes**, private sector participation in the global agenda, creation of partnerships and raising climate awareness.

### Partnerships and actions

The company plays its role as an agent of transformation through its engagement in different platforms, coalitions and world organisations, including: European Commission, UN Global Compact, We Mean Business, World Business Council for Sustainable Development and Corporate Leaders Group (CLG). It has also formally supported various initiatives, including the declaration on net-zero emissions by 2050 based on the *Science Based Targets* initiative, of which Iberdrola was one of the first companies to join.

2019 milestones include the following:

- Leadership in the private sector's participation in the principal milestones of the global climate agenda, including the **Climate Action Summit of the General Secretary of the United Nations in New York** and the **Madrid Climate Change Summit (COP25)**.
- Progress on its commitment to **implement the recommendations** of the **Task Force on Climate-related Financial Disclosures (TCFD)** in its public reports by 2020.
- **Support for the goal of net-zero emissions by 2050** of the climate strategy of the **European Union**.

## 2.2 Business Model

### Industry positioning

The group's strategy since the beginning of the 2000s was designed based on the goals set out in the Kyoto protocol, anticipating the role that the electric industry would play in the fight against climate change. Iberdrola wagered on decarbonisation and renewable energy; and the strong focus on innovation by all of the group's businesses allowed for the rapid adoption of new generation technologies, as well as automation and remote control of the transmission and distribution networks. As a result, Iberdrola is today positioned as a leader in renewable energy and smart grids, activities that constitute the backbone of the decarbonisation of the electricity sector.

Iberdrola will continue strengthening its commitment to the energy transition, accelerating its investments in renewables and smart grids to a record amount of almost 10,000 million euros annually, double the amount of only four years ago. In 2017 Iberdrola requested the closure of its last coal plants in the world, which request is pending final approval by the government. The strong investment in smart grids will allow for the large-scale integration of renewable sources as well as on a distributed scale, ensuring quality of supply and safety of the system.

2019 saw the launch of the Núñez de Balboa photovoltaic solar plant in Spain, the Montague, Patriot and Karankawa wind farms in the United States, and the inauguration of the Baixo Iguazu hydroelectric plant, the development of customer solutions based on connectivity, and the startup of various transmission and distribution network facilities, as well as a continuation of smart grid transformation projects.

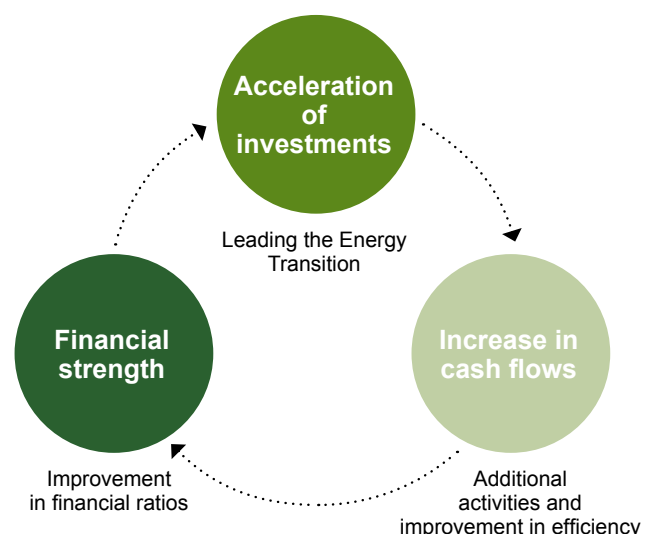
***“Action is needed now. Iberdrola’s energy transition started 20 years ago.”***

Ignacio Galán, during the World Economic Forum (Davos)

### Economic/financial positioning

Economic/financial aspects are an essential part of Iberdrola's business model, along with industrial and technological positioning. The company engages in a strategy that seeks to balance growth, financial strength and a sustainable dividend. To this end:

- Investment is concentrated in the regulated businesses or long-term contracts, which provide known and recurring cash flows.
- Country selection takes into account the stability of the regulatory environment that applies to the sector.
- The commitment to the group's level of financial strength is public and decisive in long-term planning and in the group's leverage level.
- The dividend policy is focused on a strong and growing return in line with the increase in the company's results.



## Given the company's position, Iberdrola's business model is distinguished by:

● Iberdrola's Primary Businesses / page 41

● Natural Capital / page 66

● Manufactured Capital / page 60

### Focus on regulated businesses

The company focuses its projects and investments preferably in regulated businesses, renewable assets or assets with long-term contracts.

### Commitment to clean and competitive energies

- Generation and production of largely emissions-free electricity.
- Large portfolio of wind and solar generation projects.
- Public and ambitious goals for reducing emissions.

### Operational efficiency

- A business culture highly focused on innovation and digitisation has allowed our company to be 40% more efficient than the average of the main competitors<sup>1</sup>.

### International diversification

The results obtained reflect the diversification of the group (2019 EBITDA by country):

40% in Spain.  
16% in the United Kingdom.  
19% in the United States.  
14% in Brazil.  
8% in Mexico.  
3% in International.

### Financial strength and solidity of the group

- Growth in EBITDA and FFO allows for continued strength in solvency ratio levels, within the framework of strong organic growth.
- Liquidity position that covers financial needs for more than 18 months even in a stress scenario.

### Global, committed and qualified workforce

- Stable and high-quality jobs, with high level of training.
- Health and safety as priorities: "Zero accidents" programme.
- The companies of the group have been recognised: in Spain for their Reputation (*Merco*) and in Brazil as the best company to work for in Latin America (*Great Place to Work*)

● Presence by Areas of Activity / page 12

● Financial Capital / page 58

● Human Capital / page 64

### Social Dividend

- Iberdrola is focused on the sustainable creation of value, in accordance with the Purpose and Values of the Iberdrola group and with the commitments made in the Code of Ethics.
- The Company conceives of the social dividend as the direct, indirect or induced contribution of value of its activities for all Stakeholders, particularly through its contribution to the achievement of the Sustainable Development Goals (SDGs) approved by the United Nations..

(1) Operating expenses by customer. Source: external reports.

## 2.3 Value Chain

### Electricity generation

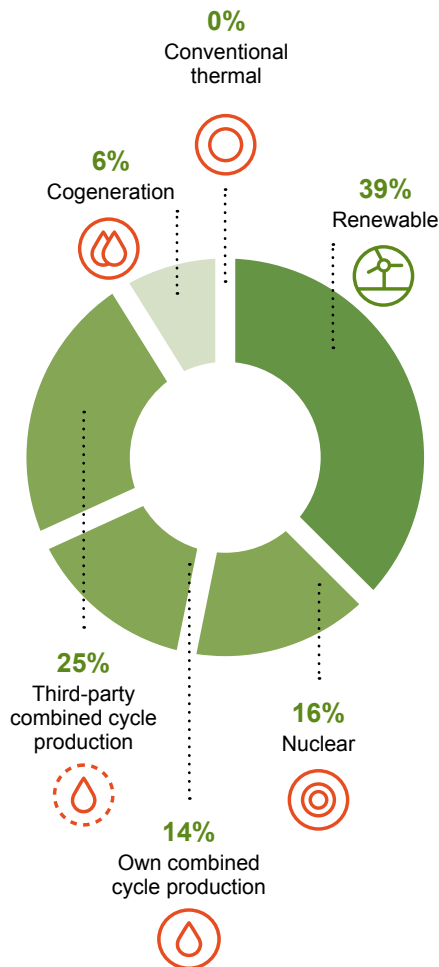
Construction, operation and maintenance of generating plants, and purchase/sale of energy on wholesale markets.

### Transmission and distribution of electricity

Construction, operation and maintenance of electrical lines, substations, transformer centres and other infrastructure, to bring electrical power from production centres to the end user.

#### Production plants\*

% of 2019 net output

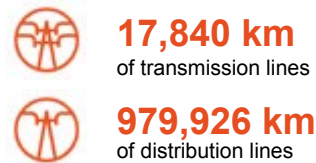


#### Electric grids\*

At 31 December 2019



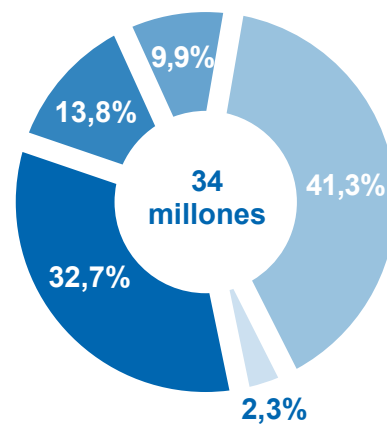
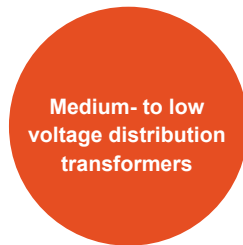
#### Overhead lines



## Retail sale of electricity and gas

Supply to end users of electricity, gas, products and complementary services.

## Consumers



- Spain
- United Kingdom
- United States
- Brazil
- IEI

### Overhead lines



**1,295 km**  
of transmission lines



**192,452 km**  
of distribution lines

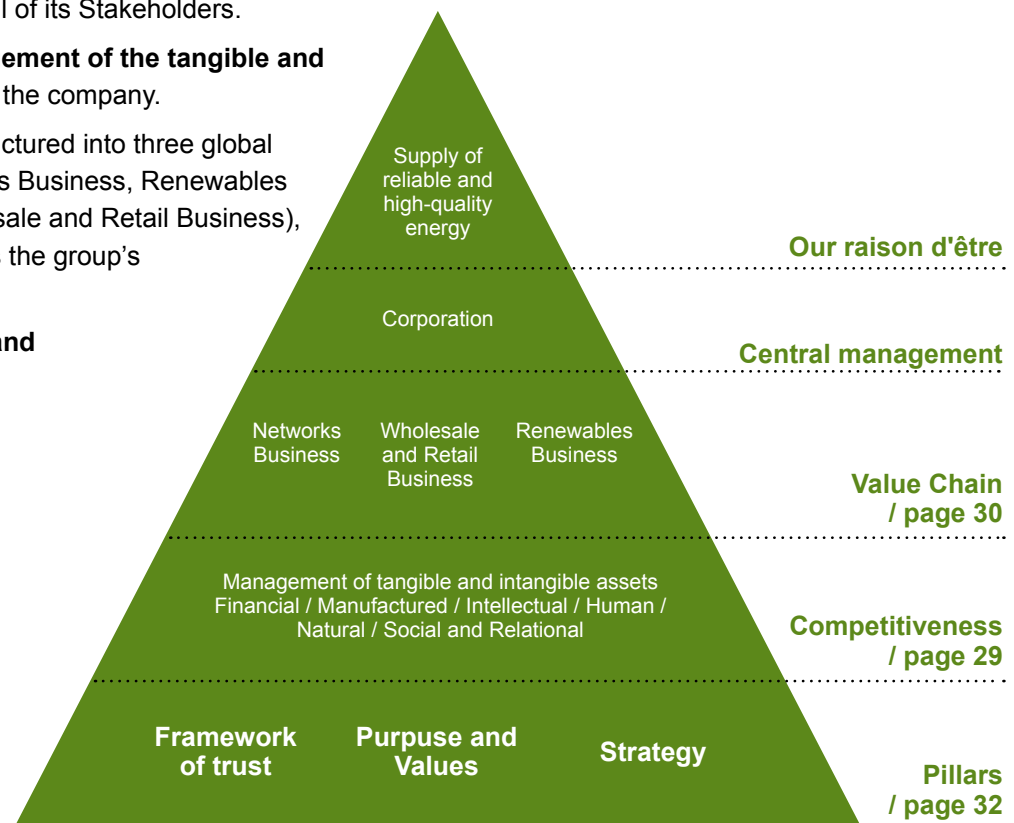
## 2.4 Iberdrola, a Different Company

### Differentiating elements of the company

- **The Purpose** as *raison d'être* and social contribution, **and the Values** as culture of the Iberdrola group, defined by the Board of Directors.
- A **framework of trust** that ensures the sustainability of the business model:
  - Corporate Governance System consistent with international best practices.
  - Corporate ethics, internalised by the management bodies and the organisation as a whole.
  - Sustainable development policies, which respond to the expectations of the Stakeholders and direct the company's strategy.
  - Advanced risk control system, to maintain an optimal risk/opportunity balance.
- A pioneering and leading **strategy** that integrates the expectations of all of its Stakeholders.
- **Responsible management of the tangible and intangible assets** of the company.
- An **organisation** structured into three global businesses (Networks Business, Renewables Business and Wholesale and Retail Business), with a Corporation as the group's supervisory body.
- A supply of **healthy and accessible energy**.

Aware of the social changes that are occurring and of the large challenges resulting from the fight against climate change and the energy transition, Iberdrola has defined its **Corporate Purpose**, focused on the **well-being of people and the preservation of the planet**:

**“To continue building together each day a healthier, more accessible energy model, based on electricity”**



⦿ Corporate Governance Model / page 74

⦿ Sustainable Development. / page 87



This **Purpose** reflects the strategy that the company has been implementing for years and its commitment to continue promoting a social dividend based on:

- **A real and global energy transition**, based on the decarbonisation and electrification of the energy sector, and of the economy as a whole, that contributes to the fight against climate change and generates new opportunities for economic, social and environmental development.
- **An energy model that is more electric**, one that abandons the use of fossil fuels and generalises the use of renewable energy sources, the efficient storage of energy, smart grids and digital transformation.
- **An energy model that is healthier for people**, whose short-term health and well-being depend on the environmental quality of their environment.
- **An energy model that is more accessible for all**, one that favours inclusiveness, equality, equity and social development.
- **An energy model that is built in collaboration** with all involved players and all of society.

To achieve this Purpose, Iberdrola has evolved its corporate **values** to the following concepts:

- **Sustainable energy**: because we seek to be a model of inspiration, creating economic, social and environmental value in all of our surroundings, and with the future in mind.
- **Integrating force**: because we have great strength, and therefore great responsibility. For this reason we work by combining talents, for a purpose that is to be achieved by all and for all.
- **Driving force**: because we make into reality small and large changes causing the life of people to be easier, while being efficient and self-demanding, always seeking continuous improvement.

## Iberdrola's Contribution to the Sustainable Development Goals (SDGs)

The group has committed to the SDGs defined by the United Nations for the 2015-2030 period. They are 17 global goals intended to transform our world, ending poverty, fighting against inequality and injustice, and confronting climate change.

Iberdrola has integrated the SDGs into its business strategy and its operations, and the company concentrates its efforts on the following objectives based on the activities it performs:



- **Electricity for All programme:**  
Goal of 16,000,000 beneficiaries by 2030.  
Reached 7 million by year-end 2019.  
A global renewable leader: more than 32,000 MW in 2019.  
Energy efficiency: 65.8 million tons of CO<sub>2</sub> emissions avoided during the last three years.



- Iberdrola has set the following environmental objectives:  
Reduce the intensity of its CO<sub>2</sub> emissions to 50% below those of 2007 by 2030.  
Be carbon neutral by 2050.

The company has an SDG Advisory Committee that reviews actions taken and analyses the alignment thereof, in addition to proposing new challenges and encouraging actions that help to achieve the fixed goals.

Iberdrola firmly believes in the innovative role of the private sector, and commits to achieving the SDGs through business results. In this way, the company's contributions through its social dividend generate shared value for all of its Stakeholders:

### Responsible business model ...

#### Fights against climate change

- A global renewable leader, with more than 32,000 MW installed.
- 77% of installed capacity<sup>1</sup> free of CO<sub>2</sub> emissions.
- Approval of emission reduction goals scopes 1, 2 and 3 by Science Based Target Initiative.
- Pioneers in adopting the recommendations of the **Task Force on Climate-related Financial Disclosures (TCFD)**.

#### Rapidly adopts new technologies and commits to innovation

- Drives the development of **smart grids**. Innovative improvement projects.
- Invests in sustainable mobility, in order to install 25,000 charging points in Spain by 2021.

### ...with positive impacts on all of its Stakeholders...

#### Economic

- Annually generates more than €31,100 million in Gross Domestic Product (GDP) in the countries in which it operates<sup>2</sup>.
- Contributes more than €6,600 million in investments annually to the capital formation of the world economy<sup>2</sup>.

#### Environmental

- Invests more than **€3,160 million in renewable generation** during 2019, which has reduced the group's emissions intensity to an overall level of **110 gr / kWh in 2019**.

#### Social

- Creates close to **400,000 jobs** worldwide (direct, indirect and induced employment)<sup>2</sup>.
- More than **€2,500 million** in employee remuneration.
- Invests **€52.3 million in projects contributing to the community**<sup>3</sup>.
- Makes **more than €8,700 million in purchases** from its suppliers throughout the world.
- Contributes more than **€8,100 million** in taxes in the countries in which it does business.

(1) Own installed capacity is taken into account.

(2) Data from a Study of Iberdrola's Impact, prepared by PwC, for financial year 2018.

(3) According to the London Benchmarking Group (LBG) measurement standard.

Iberdrola also takes action to contribute to the other SDGs. These activities are aligned with its Business model, and respond to the company's firm commitment to the social dividend, conceived as the sustainable creation of value for all the Stakeholders. The activities and results of the company for these Objectives can be summarised as follows:



Procedures to protect customers in situations of vulnerability: covers 100% of vulnerable customers in Spain. *Warm Home Discount* and *Price Cap* programmes in the United Kingdom and *Operation Fuel* in the United States.  
Iberdrola Social Programme 2020 by Fundación Iberdrola España.



**Goal:** Foster diversity and the social inclusion of vulnerable groups through the corporate volunteering programme.  
More than 7,000 volunteers participated in the Corporate Volunteering Programme in 2019.  
III Edition of the Iberdrola Awards for Solidarity..



More than 20,000 kg of food collected through the *Operation Kilo* programme promoted in all countries.  
Volunteer activities to distribute food, soup-kitchens, etc.



Iberdrola has developed a Sustainable Mobility Plan with the ultimate goal of contributing to a rational use of the means of transportation.  
**Goal:** Install 25,000 electric vehicle charging points in Spain by 2021, within its *Smart Mobility* plan.



Iberdrola contributes to reducing the noxious effects on health of greenhouse gases with its commitment to reduce these gases.  
The company also has **goals** to reduce accident rates.



89% of the volume of purchases is made from local suppliers.  
Iberdrola was the first IBEX 35 company to renew the sustainable event certificate (ISO 20121) for its General Shareholders' Meeting in 2019



Training for our employees: more than 50 hours of training per trained employee in 2019.  
SDGs to school: Initiative to provide education about the SDGs at schools, with training for more than 3,000 children.



During the construction and operation of offshore wind farms, Iberdrola adopts innovative measures to preserve the neighbouring undersea eco-systems, including the installation of noise mitigation systems for mammals in the construction and relocation phase and/or respect biotopes for the preservation of marine life.



Included for the third consecutive year in Bloomberg's 2020 Gender Equality Index.  
Iberdrola supports the Women's Universe (*Universo Mujer*) programme of the Higher Council for Sport (*Consejo Superior de Deportes*) (CSD), supporting 16 Spanish female federations.  
Adoption of the UN Women Empowerment Principles.



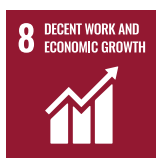
Iberdrola has obtained the first AENOR Corporate Environmental Footprint certificate.  
**Goal:** Adjustment of 234,000 pylons at distribution lines to protect birds from electrocution between 2018 and 2025 (Aleteo project).



Iberdrola is one of the utilities with the highest water productivity (revenue/water utilised).  
**Goal:** Maintain intensity 50% below the European average for next 5 years.  
Iberdrola has joined the UN CEO Water Mandate to encourage sustainable practices in the use of water.



The company has renewed the *UNE-ISO 37001* and *UNE19601* certifications regarding anti-bribery and compliance.  
It has also been chosen for the sixth consecutive year as one of the most ethical companies in the world, according to the *World's Most Ethical Companies 2019* ranking prepared by the *Ethisphere Institute*.



Approximately 400,000 direct, indirect and induced job positions throughout the world<sup>1</sup>. More than €31,100 million in impact on the GDP of the countries in which it does business<sup>1</sup>.  
Iberdrola continues to be the largest corporate issuer of green bonds in the world.  
**Goal:** continue supporting the development of the green financing market.



Iberdrola works with a variety of companies, associations, universities and public bodies to achieve the SDGs.  
Recognised as LEAD participating company in the United Nations Global Compact.  
Worked with United Nations during the COP25 Climate Change Summit in Madrid (Chilean Presidency).



World leaders in smart grids. Promotion of *Star +* project in Spain and the *Smart UK* project in the United Kingdom  
Innovation projects in all businesses, to support energy efficiency and the fight against climate change.  
**Goal:** Development of the Innovation and Digitisation Programme.



(1) Data from a Study of Iberdrola's Impact, prepared by PwC, which is based on 2018 figures. Includes indirect and induced impacts.

## 2.5 Capital Management

The Iberdrola group holds valuable assets for the development of its business model. The strategy defined by the company transforms this capital to create value for all its Stakeholders

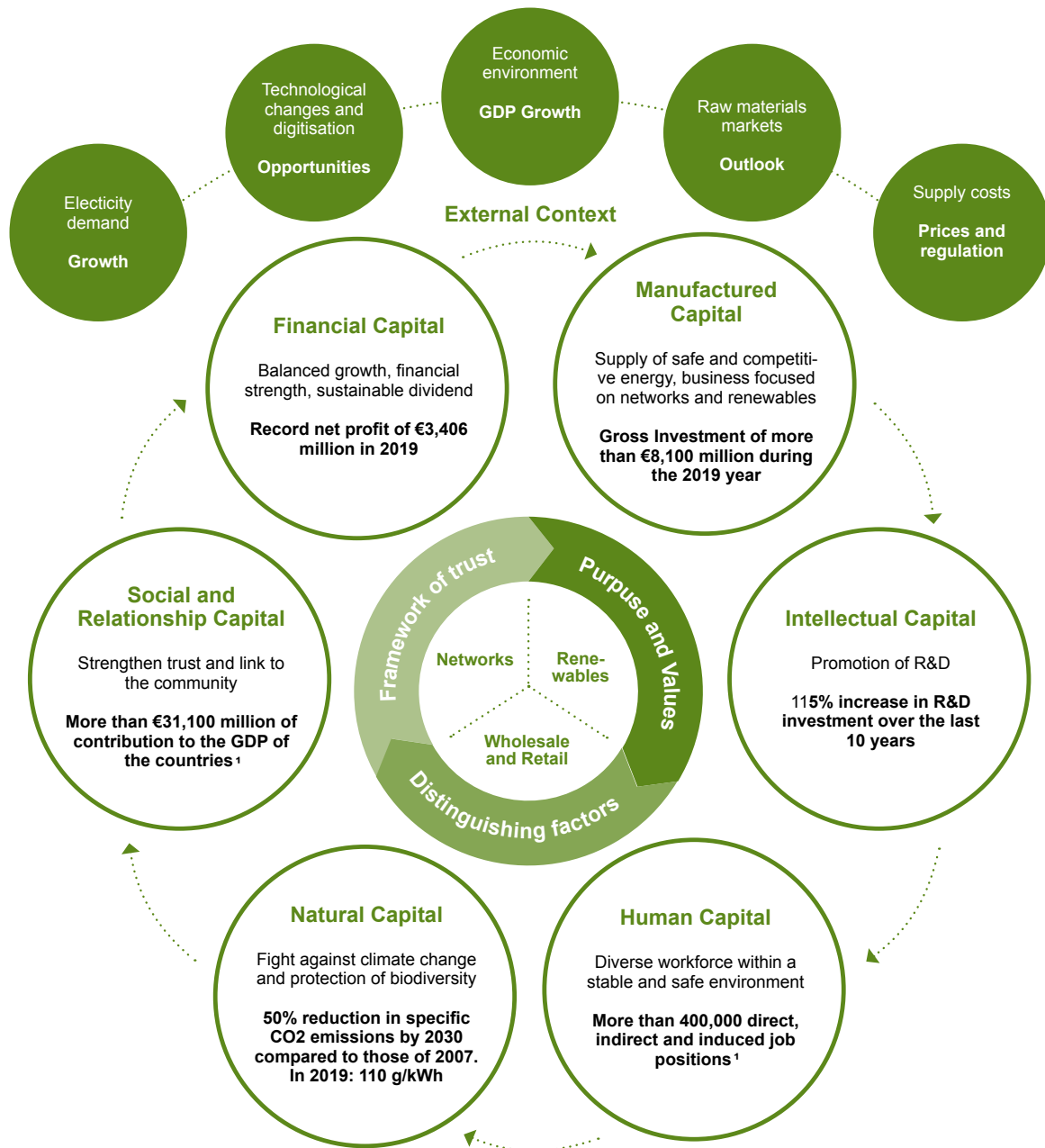
	What is it?	Management approach	Significant aspects
<b>Financial Capital</b>  ● Financial Capital / page 58	Financial resources that the company already has or obtains through the capital markets.	Create value for shareholders through sustainable growth.	<ul style="list-style-type: none"> <li>Balanced and diversified growth.</li> <li>Sound financial structure.</li> <li>Operational excellence.</li> <li>Sustainable results and dividends.</li> </ul>
<b>Manufactured Capital</b>  ● Manufactured Capital / page 60	Tangible assets or goods used by the company to carry out its business activities.	Offer a competitive supply of energy in a safe and reliable environment.	<ul style="list-style-type: none"> <li>Power generation assets.</li> <li>Power transmission and distribution assets.</li> <li>Other assets.</li> </ul>
<b>Intellectual Capital</b>  ● Intellectual Capital / page 62	Intangible, knowledge-based assets.	Consider innovation as a strategic element of the company.	<ul style="list-style-type: none"> <li>Promotion of R&amp;D.</li> <li>Digitisation for efficiency and development of new products and services.</li> <li>Disruptive technology and business models.</li> </ul>
<b>Human Capital</b>  ● Human Capital / page 64	Employee knowledge, skills, experience and motivation.	Guarantee the availability of a committed and qualified workforce.  Offer an diverse, inclusive and balanced work environment.	<ul style="list-style-type: none"> <li>Global human resources management.</li> <li>"Zero accidents" programme.</li> <li>Talent management.</li> <li>Diversity, equal opportunity and reconciliation.</li> </ul>
<b>Natural Capital</b>  ● Natural Capital / page 66	Natural resources potentially affected by the company's activities.	Ensure a sustainable use of natural resources and contribute to combating climate change	<ul style="list-style-type: none"> <li>Climate change.</li> <li>Preservation of biodiversity.</li> <li>Management of environmental footprint.</li> <li>Operating excellence and energy efficiency.</li> <li>Circular economy.</li> </ul>
<b>Social and Relationship Capital</b>  ● Social and Relationship Capital / page 68	Ability to share, relate and collaborate with its Stakeholders, promoting community development and well-being.	Promote relations of trust with Stakeholders, improving the quality of life of people in areas where the group has a presence.	<ul style="list-style-type: none"> <li>Stakeholder Engagement Model.</li> <li>Community support and electricity access programmes.</li> <li>Human rights due diligence system.</li> <li>Foundations of the Iberdrola group.</li> <li>Brand management.</li> </ul>

## Social dividend as an increase in the value of capital

The social dividend created by the business strategy and model of Iberdrola translates into an increase in the value of its capital, which in turn feeds back into a cycle of value creation, thus efficiently inter-relating the operations of the businesses and the capital of the company.

This process creates shared value for both Iberdrola and for its Stakeholders, and constitutes a main vector for achieving the company's purpose of offering an increasingly healthy and accessible energy supply.

The chart below shows its strategic focus for each Chapter and quantifies an aspiration or achievement of the company in this area.



(1) Data from a Study of Iberdrola's Impact, prepared by PwC, which is based on 2018 figures. Includes indirect and induced impacts.

## 2.6 Comparative Results and Awards

### Comparative analysis<sup>1</sup>

#### Comparative economic/financial variables 2019

Growth in EBITDA		
CAGR (%)	Average Comparables <sup>2</sup>	Iberdrola
31-Dec.-09 / 31-Dec.-19	-5.4 %	<b>4.5 %</b>

Growth in stock market capitalisation		
Total growth (%)	Average comparables <sup>2</sup>	Iberdrola
31-Dec.-09 / 31-Dec.-19	-26.5 %	<b>66.7 %</b>

10 years ago, Iberdrola, S.A. held sixth place among comparable companies in terms of capitalisation. It now is the leader among those in which the government does not hold an interest.

Share price			
Total growth (%)	Average Comparables <sup>2</sup>	Eurostoxx Utilities	Iberdrola
31-Dec.-09 / 31-Dec.-19	-36.2 %	-11.4 %	<b>37.6 %</b>

#### Comparative performance of total shareholder return

Return (%)	Average Comparables <sup>2</sup>	Eurostoxx Utilities	Iberdrola
31-Dec.-09 / 31-Dec.-19	2.1 %	28.1 %	<b>82.2 %</b>

#### Iberdrola's performance

Iberdrola has increased its assets by close to 30% and its revenues by more than 50% over the last 10 years. It has also improved its EBITDA by approximately 50% and its net profit by approximately 20%, with close to a 10% increase in shareholder return and financial strength.

Iberdrola	31-Dec.-09	31-Dec.-19
Assets (€M)	87,367	122,369
Revenues (€M)	24,559	36,438
EBITDA (€M)	6,815	10,104
Net Profit (€M)	2,824	3,406
Dividends <sup>3</sup> (€/share)	0.327	0.356
Net Debt/EBITDA	4.55	3.80

Comparable companies analysed: Engie, EDF, E.On, Enel, RWE. CAGR: Compound Annual Growth Rate, i.e. weighted average annual growth.

(2) For Engie, EDF, E.ON, Enel and RWE, the 2019 EBITDA figures are the estimates published by Bloomberg, due to the lack of final closing figures on the date of preparation of this document.

(3) Including the bonus for attending the General Shareholders' Meeting



## Awards/Recognitions:



### To the company:

- Energy Transition Award (S&P Platts): 2019.
- Best Corporate Governance in Spain (World Finance): 2019.
- World's Most Ethical Company Index (Ethisphere Institute): 2019.
- Best Integrated Report Award (Asociación Española de Contabilidad y Administración de Empresas): 2019.
- Gold Plaque of the Royal Order of Sporting Merit (Consejo Superior de Deportes): 2019.
- Award for Contribution to Equality (El Economista newspaper): 2019.
- Healthy Company Certificate (AENOR): 2019.
- Innovation Awards from the United Nations for Iberdrola's Corporate Volunteering programme. 2018.
- Spanish version of European Environmental Award 2018 called by the European Commission and awarded by His Majesty the King.

### To the chairman:

- One of the 30 most influential leaders in the fight against climate change (Bloomberg): 2020.
- One of the five best-performing CEOs in the world and the top in the utilities sector (Harvard Business Review): 2019.
- National Innovation and Design Award in the Innovative Career Category (Ministry of Science, Innovation and Universities): 2019.
- Premio León award for business management (El Español): 2019.
- Honourable Mention for his professional career (Colegio Oficial de Ingenieros Industriales de Madrid) 2019.
- Best European Utility CEO (Institutional Investor Research): 2017, for the eleventh time.
- Commander of the Most Excellent Order of the British Empire: 2014.
- Honorary Doctorate from the Universities of Salamanca (2011), Strathclyde (2013) and Edinburgh (2011).

### To other members of the company:

- Best utility in the area of Investor Relations (IR Magazine): 2019.
- Best In-House Legal Advisory Service (Forbes): 2019.