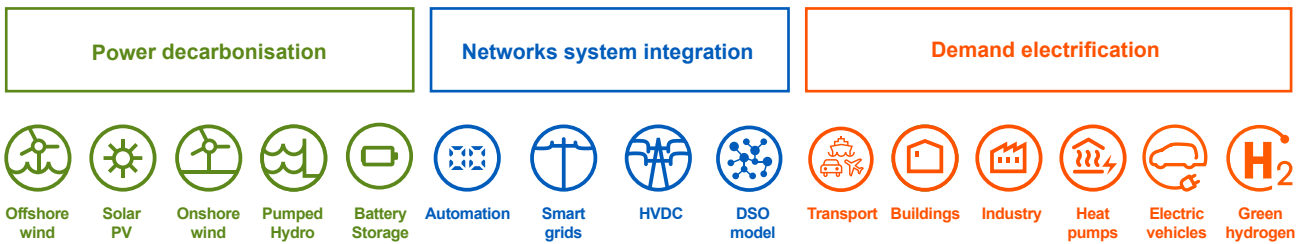




2.3 A successful and well-established business model

Iberdrola firmly believes that **the transition to a carbon-neutral economy by 2050 is technologically possible, economically feasible and socially necessary.** Decarbonisation of the economy is a tremendous opportunity to create wealth, generate employment and improve both the condition of the planet and people’s health. The group is therefore committed to leading the energy transition, a path it took 20 years ago and that has led it to invest €120,000 million since then, to which it will add a further €75,000 million between 2020 and 2025. This commitment will be fulfilled by promoting:



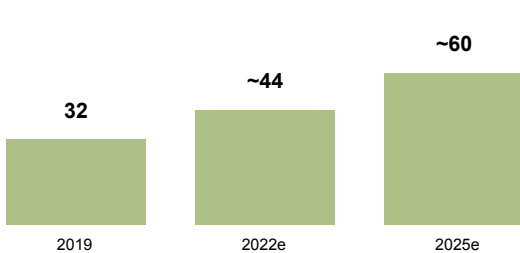
“After 20 years anticipating the energy transition, our business model makes us a key agent in the transformation of the industrial fabric. With our experience, our engagement with society and our financial strength, we are advancing a model for long-term sustainable capable of meeting the current challenges of society.”

-Ignacio Galán, chairman & CEO of the Iberdrola group-

+ Renewables

With one of the industry’s largest portfolios (>90 GW)

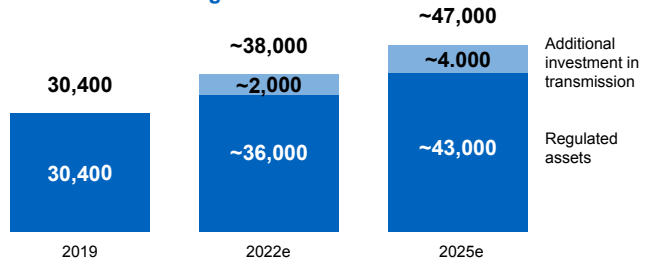
Renewable installed capacity (GW)



+ Networks

Increasingly smart networks.

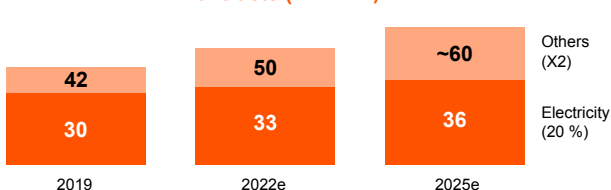
Regulated assets



+ Customer services

New solutions for its customers.

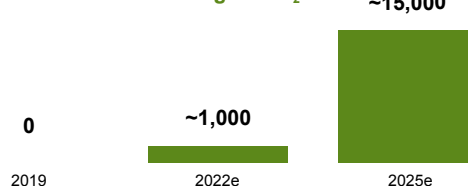
Contracts (millions)



+ Innovation

Which responds to the demands detected: storage, green hydrogen, etc.

tons of green H₂





Two decades of growth based on strong strategic foundations that drive future growth



And an economic / financial model that enables us to accelerate the creation of value for all

- **Investment** is concentrated in the **regulated** businesses or businesses with **long-term contracts**, which provide recognised and recurring cash flows.
- The selection of **countries** takes into account the **stability** of the regulatory environment applicable to the industry and their long-term credit rating.
- The dividend policy is focused on a **strong and growing return** in line with the increase in the company’s results.
- The principal **finance** instrument is Green Finance, which ensures transparency on the impact and use thereof, **in line with EU Taxonomy**, which allows for sufficient liquidity to be maintained.
- This will enable Iberdrola to **maintain its credit ratios** within the established limits.



Iberdrola’s business model allows it to:

- Satisfy the expectations of its **Stakeholders**, and with regard to ESG+F.
- **Accelerate** the growth of its **renewable activities**, mainly offshore wind and photovoltaic, in order to meet its decarbonisation target.
- Maintain a **strong financial position**, which allows Iberdrola to meet its investment targets.
- A **sustainable, certain and growing dividend policy**, which allows shareholders to participate in the objectives achieved.