

Bilbao, 4 April 2023

To the National Securities Market Commission

Inside information

Memorandum of understanding relating to the sale of generation assets with an aggregate installed capacity of 8,539 MW in Mexico

Pursuant to article 17 of *Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 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 Generación México, S.A. de C.V. and Iberdrola Renovables México, S.A. de C.V., both subsidiaries of the subholding company of the Iberdrola Group in Mexico, Iberdrola México, S.A. de C.V. ("**Iberdrola México**"), have today entered into a memorandum of understanding with Mexico Infrastructure Partners FF, S.A.P.I. de C.V. ("**MIP**") for the acquisition by a private trust managed by MIP of the entire share capital of certain companies holding power generation facilities with an aggregate installed capacity of 8,539 MW in Mexico, of which 8,436 MW are combined cycle gas turbines and 103 MW are an onshore wind asset.

The assets comprised within the transaction perimeter include the combined cycle gas turbines *Monterrey I & II, Altamira III & IV, Altamira V, Escobedo, La Laguna, Tamazunchale I, Baja California* and *Topolobampo II & III*, together with the onshore wind farm *La Venta III*, all of them operating under the Independent Energy Generators' (*Productores Independientes de Energía*) regime contracted with the *Comisión Federal de Electricidad*, as well as the private combined cycle gas turbines *Monterrey III & IV, Tamazunchale II* and *Enertek*.

The valuation agreed for the sale of those assets (in terms of enterprise value, on a cash- and debt-free basis, of the companies holding the assets) is of approximately USD 6,000 million, subject to variations depending on the closing date of the transaction and other potential adjustments customary in this type of agreements.

The transaction is subject to the agreement on, and execution of, definitive contracts by the parties, as well as to obtaining the required regulatory approvals and to the satisfaction of certain conditions customary in this type of agreements.

The transaction relies on the financial support of the Mexican National Infrastructure Fund (*Fondo Nacional de Infraestructura de México, FONADIN*) and other state-owned financial institutions linked to the Mexican government.

Iberdrola México will continue serving its current clients in Mexico (as well as, on a transitory basis, to the companies comprised in the transaction perimeter) for which purpose it is expected to enter into power purchase agreements with the companies being sold with the aim of providing to the companies of the Iberdrola Group the

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energy and capacity necessary to develop the renewable generation in Mexico and meet its current and future targets in the country.

This information is provided to you for the appropriate purposes.

General secretary and secretary of the Board of Directors

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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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