

RESULTS PRESENTATION

Nine Months

26 October 2022



IBERDROLA

**SUSTAINABLE
EVENT**



Committed to:



SDG





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Agenda

Highlights of the period





NET PROFIT OF EUR 3,104 M DESPITE 14% DECREASE IN SPAIN...

EBITDA of EUR 9,529 M (+17%), with growth in all geographies except Spain

Operating cash flow reaches EUR ~8,200 M, up 28%

Net Profit up 29%, as 9M 2021 results were affected by provisions related with change in UK Corporate tax

Investments of EUR ~7,600 M (+14%), for a total EUR ~10,500 M in last 12 months

- EUR 3,060 M in Networks and EUR 3,687 M in Renewables

~4,700 new hires over the last year

Tax contribution of EUR 7,800 M in the last year

Strong business and financial profile

- Liquidity of EUR 24 Bn
- FFO/Net Debt at 24.3%

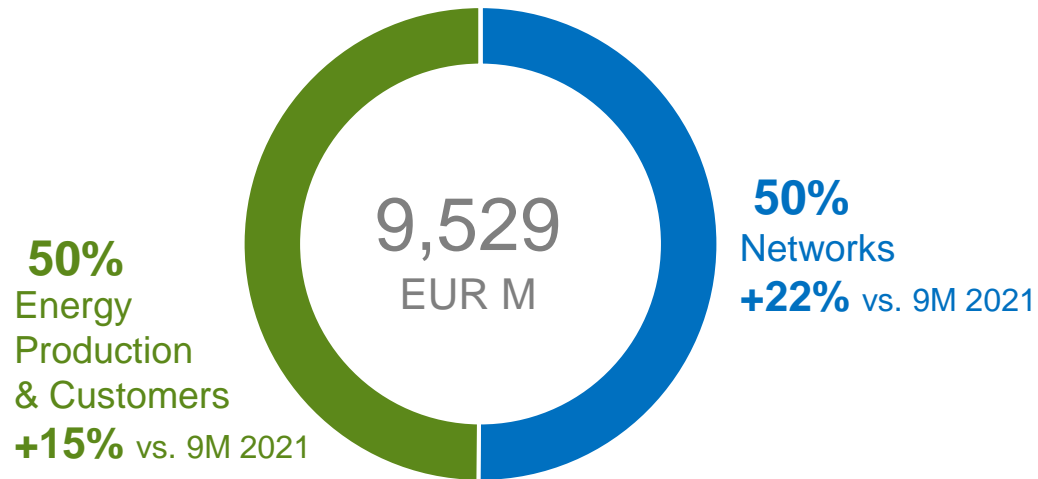
Interim dividend of Eur 0.180/share (+5.9%)

...REAFFIRMING FY 2022 NET PROFIT OUTLOOK OF EUR 4.0 - 4.2 BN



**EBITDA INCREASES +17% TO EUR 9,529 M
WITH POSITIVE EVOLUTION IN ALL GEOGRAPHIES EXCEPT SPAIN**

BREAKDOWN BY BUSINESS



NETWORKS

- Higher asset base in all geographies
- Tariff increases in USA and Brazil
- Regulatory frameworks protecting from higher inflation

ENERGY PRODUCTION AND CUSTOMERS

- Additional renewable capacity
- Lower wind and hydro production in Spain
- Retail: negative effect of higher prices in UK and Spain

EUR +568 M EXCHANGE RATE IMPACT IN EBITDA

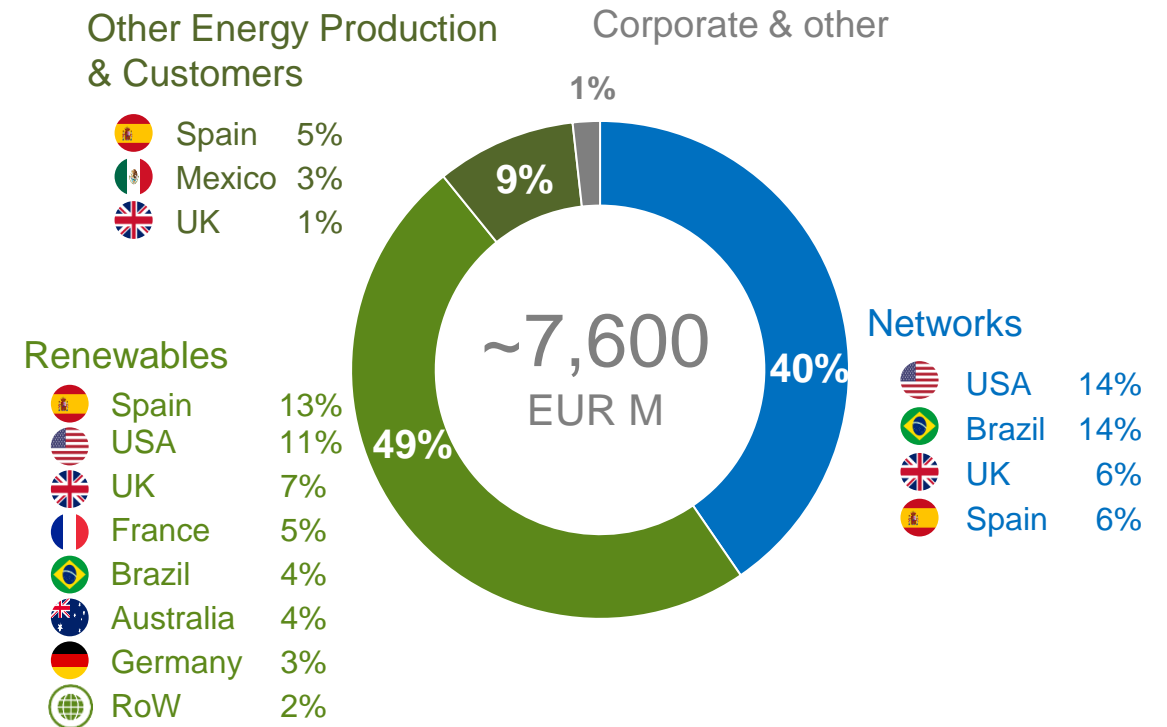


GROSS ORGANIC INVESTMENTS OF EUR ~7,600 M (+14%) WITH ~90% ALLOCATED IN RENEWABLES AND NETWORKS

9M 2022 GROSS INVESTMENTS BY COUNTRY

	EUR M	Weight
USA	1,897	25%
Spain	1,893	25%
Brazil	1,339	18%
UK	1,179	16%
France	394	5%
Australia	313	4%
Germany	248	3%
Mexico	206	2%
RoW	99	2%
Gross Organic Investments	7,568	100%

9M 2022 GROSS INVESTMENTS BY BUSINESS



FOR A TOTAL OF EUR ~10,500 M IN THE LAST 12 MONTHS



NETWORKS



USA:

- **Rate Cases for NY, ME, CT & MA filed**, with negotiations ongoing



UK:

- Ongoing **conversations on RIIO-ED2 framework** for 5 years starting in apr-23'; implementation of RIIO-T2 2021-26 progressing as expected
- Transmission: **Ofgem's approval** of new **Eastern Link**
- New Energy Security strategy will generate additional investments in networks



Brazil:

- ~20% of transmission awarded in auctions since 2017 in operation. Total portfolio of EUR 3 Bn after the award of **~2,000 km of HV lines** in last auction

ENERGY PRODUCTION & CUSTOMERS



UK: 2,000 MW of offshore, onshore wind and solar PV awarded in **CfD Round 4 auction** progressing as scheduled



SPAIN: Agreement with BP to **deploy up to 11,000 fast charge points** across **Spain and Portugal**



USA: Alliance with Sempra to develop **clean hydrogen and ammonia infrastructures**



Brazil: Over 300 MW of additional **PV solar** and **onshore wind in operation**



Germany: Baltic Eagle: foundations for the **offshore substation installed** and fabrication of **wind farm components on track**
Windanker progressing as scheduled; Partnership with **EIP (49%)** in **Wikinger**



France: St. Brieuc - progressing in the installation of **offshore substation. 60% of piles and 35% of jackets installed**



Australia: commissioning of the **first wind-solar hybrid project (317 MW)**; development approval for 1,000 additional wind MW



ROW: ~200 MW installed (~110MW in Australia, ~50MW in Greece, ~30 MWs in Portugal)



Portugal: First 1,000 MW of Tamega's Gigabattery in operation



Poland: 98 additional MW (50 MW of wind and 48 MW solar projects)

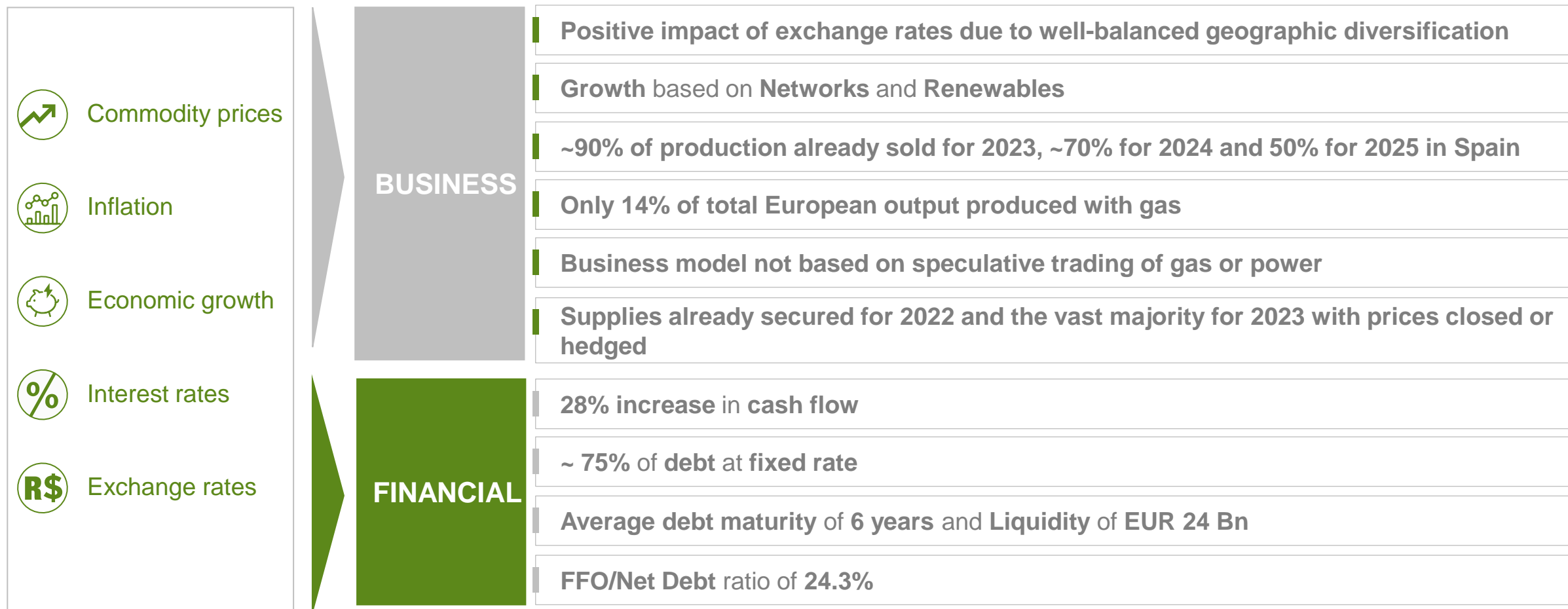


Greece: 106 MW of wind power under construction

• ...



A RESILIENT BUSINESS MODEL...





...AND A PROACTIVE CONTRIBUTION TO ALLEVIATE THE CURRENT CRISIS

Measures taken by Iberdrola in the last months show **awareness and sensitivity to the impact of the crisis on families and industries**

- **Maintaining stable prices** to our customers based on our **zero-emission generation fleet at prices well below spot**
- **Support and payment flexibility for vulnerable customers**
- Maximizing **plant availability** and **promoting energy efficiency and savings**
- **EUR ~10.5 Bn invested** in last 12 months in **Renewables and Networks** to **accelerate autonomy from imported fossil fuels**
- **~4,700 new hires** in last 12 months
- **EUR 7,800 M of tax contribution** in the last year

Active role in the debates on short and long term solutions

- **Consensus on gas market dynamics as the source of the problem: European measures ongoing**
- **Electrification is the solution: need of clear rules and acceleration of permits**
- **Key to promote investment in networks and renewables to accelerate self-sufficiency**

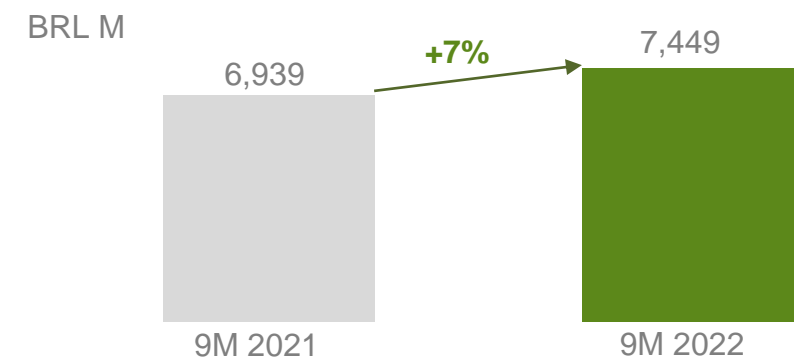
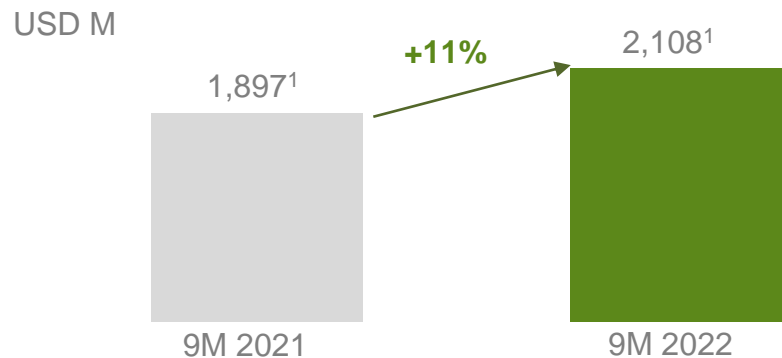


STRONG PERFORMANCE OF AVANGRID AND NEOENERGIA,...

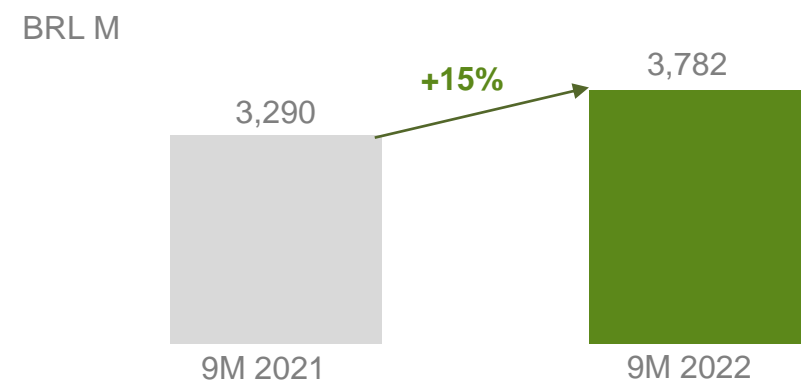
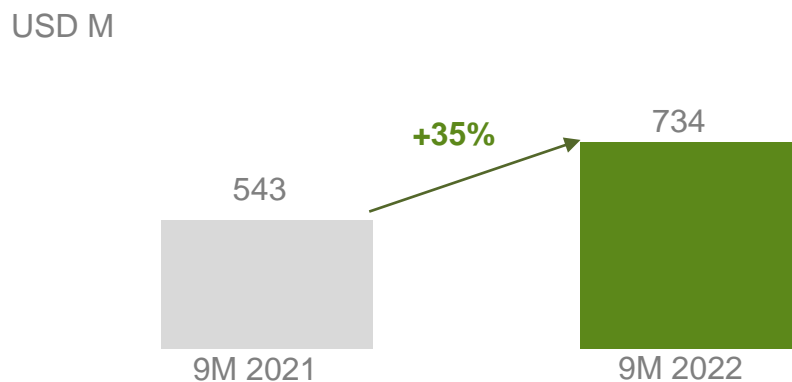
AVANGRID (USGAAP)

NEOENERGIA (LOCAL GAAP)

Investments



Net Profit



...PROVING THE ADVANTAGES OF OUR GEOGRAPHIC DIVERSIFICATION

Agenda

Analysis of results



Income Statement

RESULTS PRESENTATION / Nine Months 2022



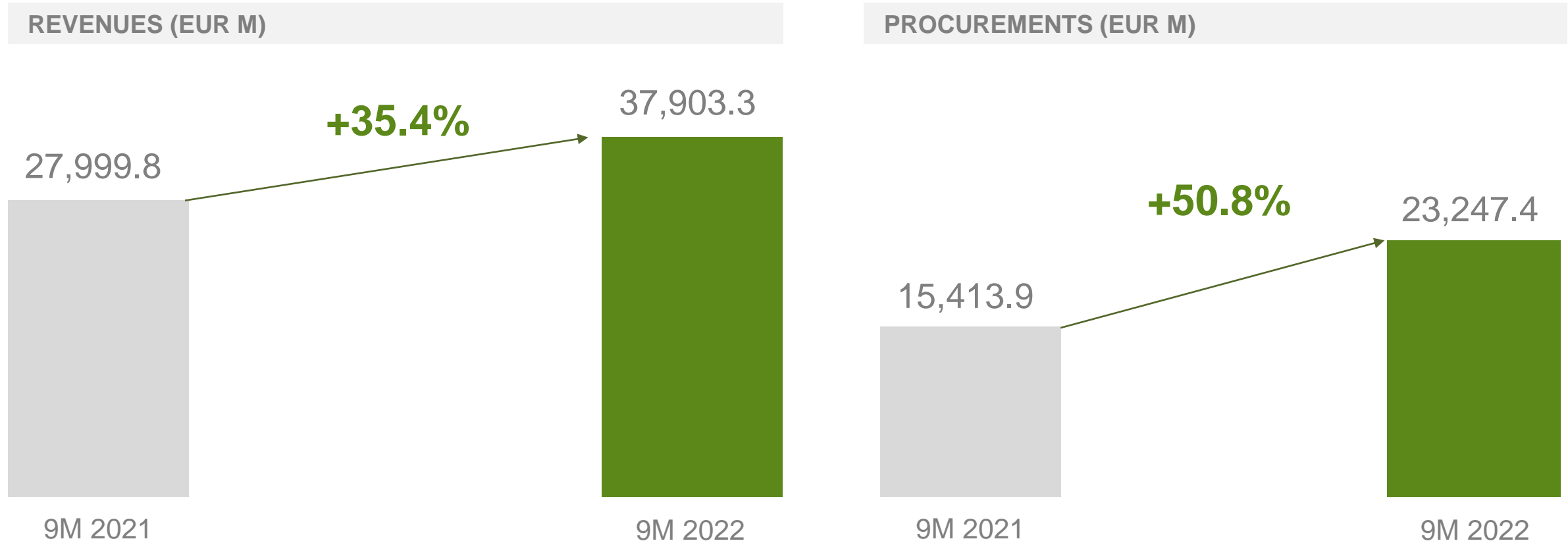
EBITDA reaches EUR 9,529 M, Net Profit EUR 3,104 M and FFO of EUR 8,204 M

EUR M	9M 2022	9M 2021	%
Revenues	37,903	27,999	+35.4
Gross Margin	14,656	12,586	+16.4
Net Operating Expenses	-3,791	-3,153	+20.2
Levies	-1,335	-1,268	+5.4
EBITDA	9,529	8,165	+16.7
EBIT	5,663	4,781	+18.5
Net Financial Expenses	-1,379	-696	+98.1
Equity Results	171	5	n.a.
Taxes	-788	-1,324	-40.5
Minorities	-565	-358	+57.8
Net Profit	3,104	2,408	+28.9
FFO	8,204	6,412	+27.9

Gross Margin



Gross Margin up 16%, to EUR 14,656 M, and 9% excluding FX impact



Revenues up 35%, to EUR 37,903 M, and Procurements up 51%, to EUR 23,247 M

Net Operating Expenses



Net Operating Expenses up 20%, to EUR 3,791 M, ...

Net Operating Expenses (EUR M)

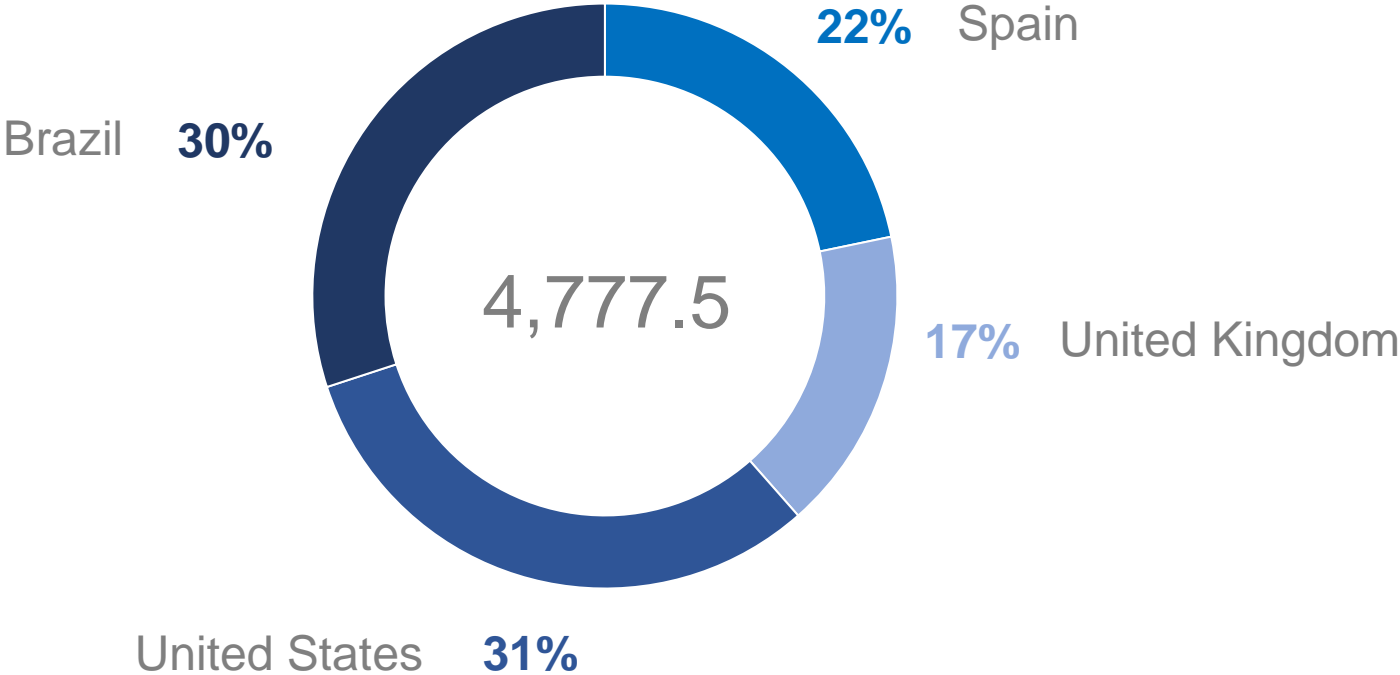
	9M 2022	9M 2021	vs 9M '21 (%)
Net Personnel Expenses	-1,881.0	-1,679.8	+11.9%
External Services	-2,522.6	-2,131.6	+18.3%
Other Operating Income	612.1	658.0	-7.0%
Total Net Operating Expenses	-3,791.4	-3,153.4	+20.2%

... and 7% excluding FX and non recurring effects mainly related to the positive impact of asset rotation at Other Operating Income level

Results by Business / Networks



Networks EBITDA grows 21.5%, to EUR 4,778 M

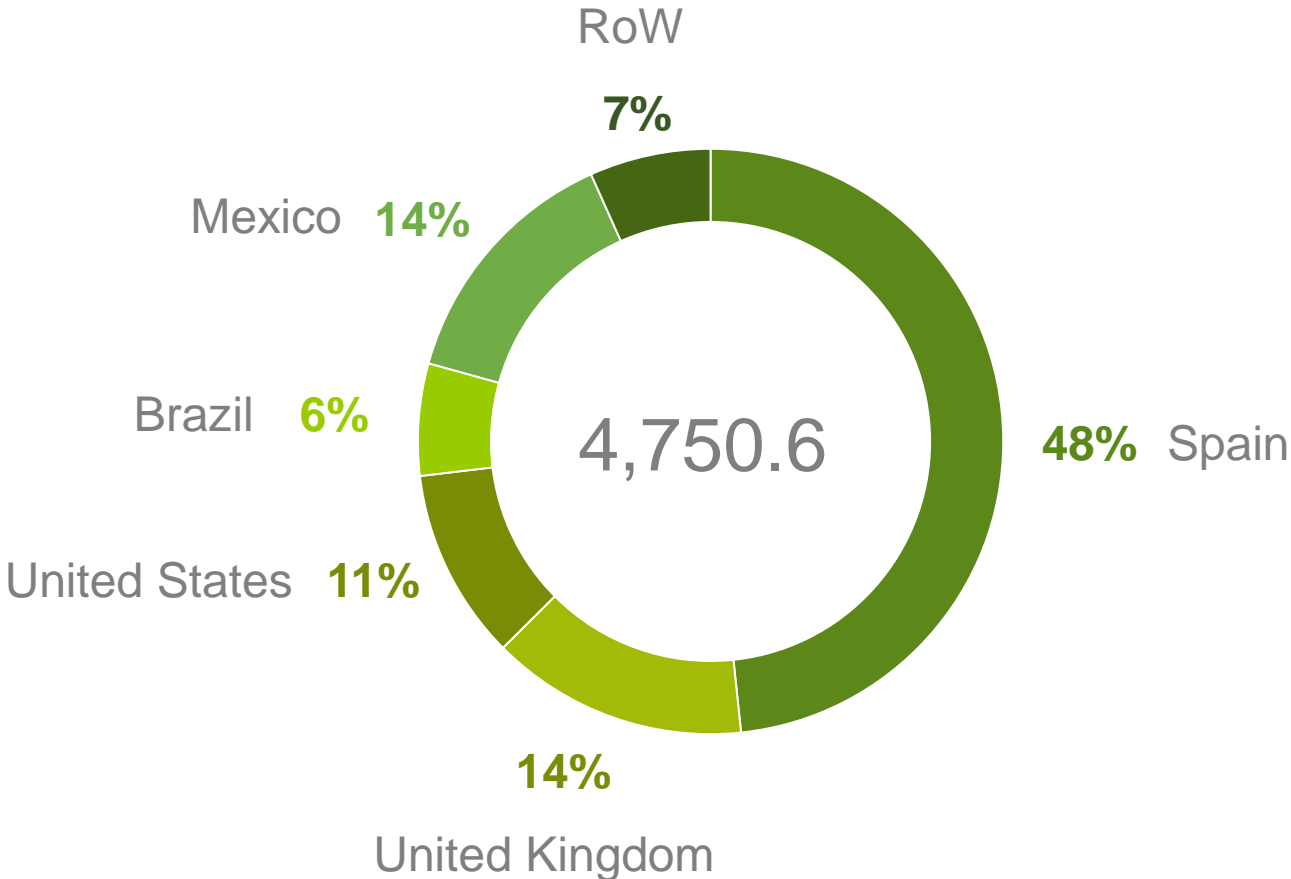




SPAIN	EBITDA EUR 1,039.0 M (-16.9%): <ul style="list-style-type: none">• EUR -206 M negative impact related to a legal case.
BRAZIL	EBITDA BRL 7,839.9 M (+20.3%): <ul style="list-style-type: none">• Growth driven mainly by tariff adjustments in Distribution (BRL +1,304 M).
UNITED STATES	EBITDA IFRS USD 1,602.3 M (+48.7%): <ul style="list-style-type: none">• USD +550.1 M positive one-off linked to NY Order that allows to accrue certain regulatory assets, driving more stability in future revenues.• USD +117.3 M due to rate case increase basically linked to higher investments. EBITDA US GAAP USD 1,292.5 M (+11.9%)
UNITED KINGDOM	EBITDA GBP 677.2 M (+3.3%): <ul style="list-style-type: none">• Higher asset base.



Energy Production and Customers EBITDA up 15%, to EUR 4,751 M





SPAIN

EBITDA EUR 2,296.5 M (+12.5%):

- Moderate EBITDA growth, despite high price environment (spot price +138%), as a consequence of Group's fixed price sales and lower renewable production.

UNITED STATES

EBITDA USD 535.1 M (-18.0%):

- Positive impact of Texas cold snap accounted for in Q1'21 (USD -111.3 M).
- Higher output (+5.4%) due to new installed capacity and better wind resource vs 2021.

UNITED KINGDOM

EBITDA GBP 570.9 M (+26.1%):

- Higher wind output drives EBITDA growth, partially compensated by higher energy procurements at higher prices than the ones included within the SVT tariff.



MEXICO

EBITDA USD 708.8 M (+3.8%):

- Positive impact from Texas cold snap losses in Q1 2021.
- Partially offset by lower thermal production.

BRAZIL

EBITDA BRL 1,604.9 M (+38.8%):

- Mainly driven by Termope CCGT.
- New renewable capacity in operation (+453 MW).

RoW

EBITDA EUR 318.1 M (+20.3%):

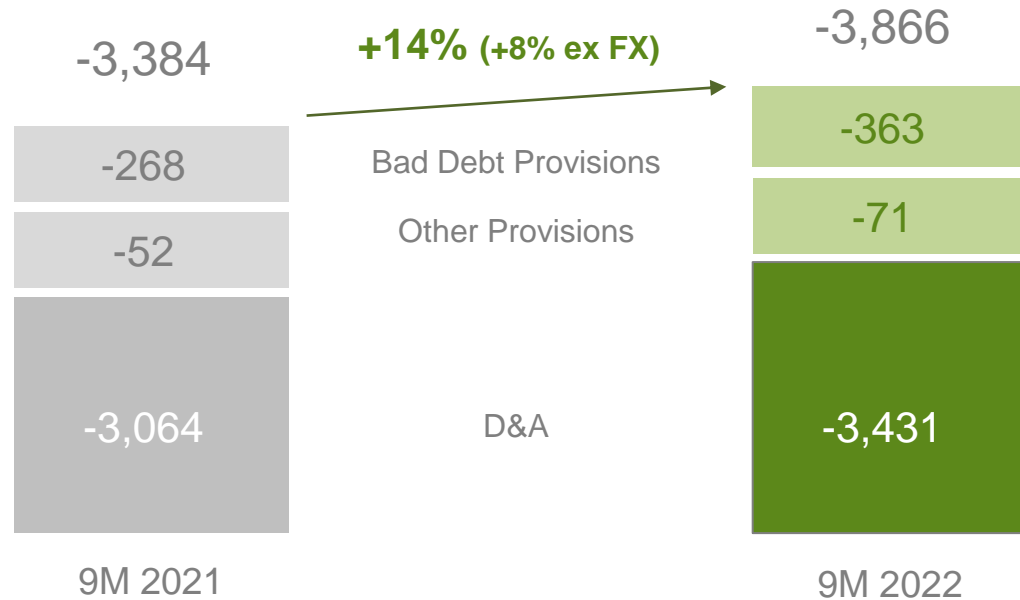
- Higher contribution from onshore and offshore business across geographies.

D&A and Provisions and Bad Debt

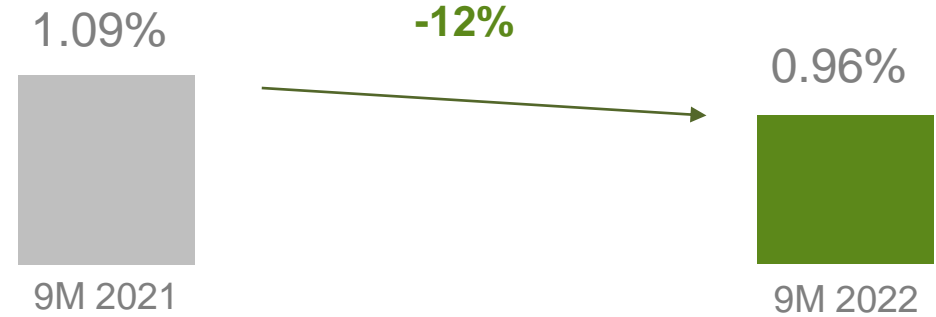


D&A and Provisions up 14%, to EUR 3,866 M, and +8% excluding FX impact

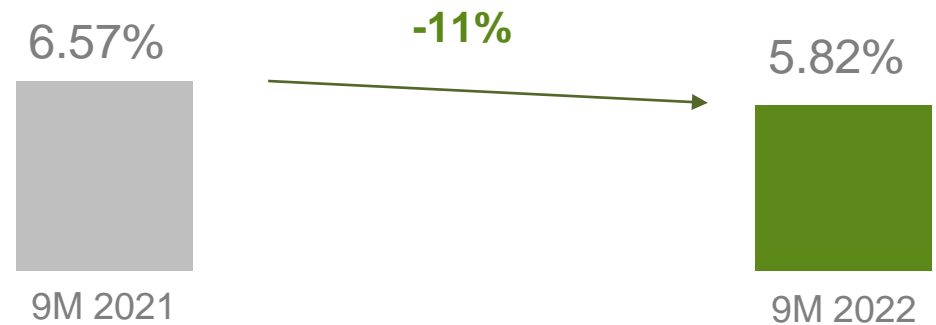
D&A and Provisions (EUR M)



Bad Debt Provisions / Billing (%)



Overdue Debt (>90 days) / Billing (%)

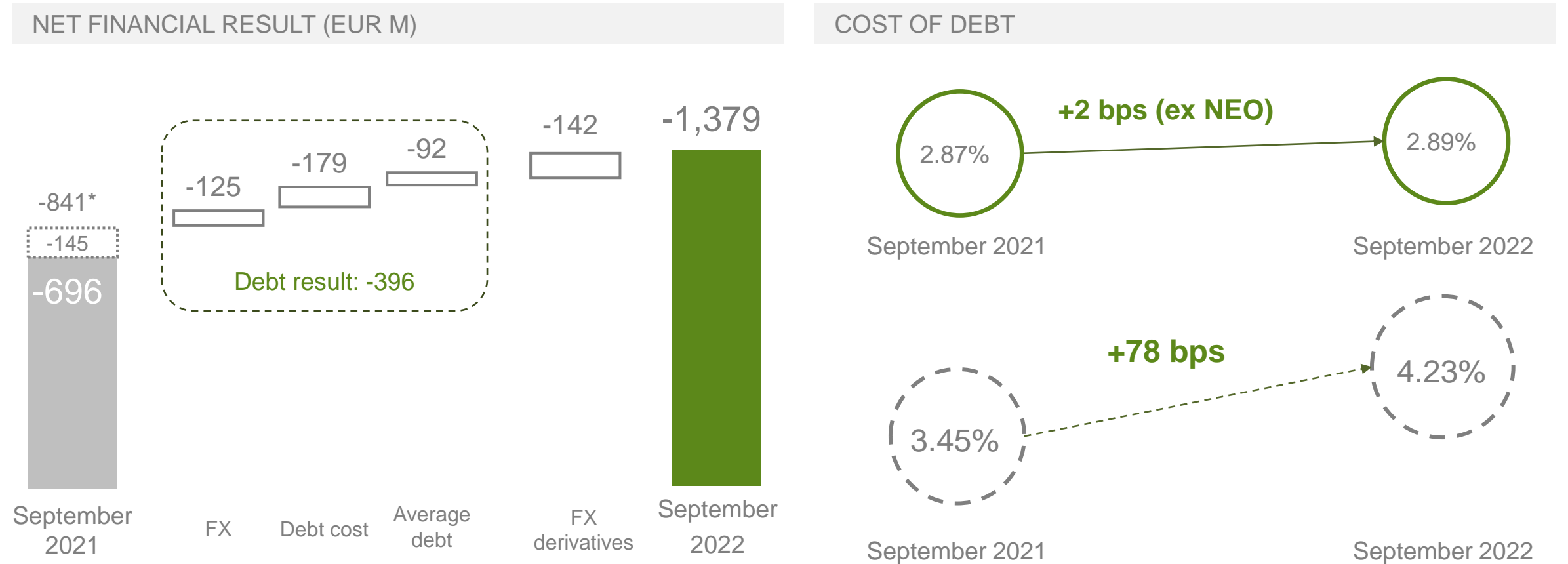


Improvement of key ratios: Bad Debt Provisions/Billing and Overdue Debt/Billing

Net Financial Results



Recurring Net Financial Results up EUR 538 M, to EUR 1,379 M, due USD and BRL appreciation affecting debt and derivatives, higher average debt and increased cost of debt,...

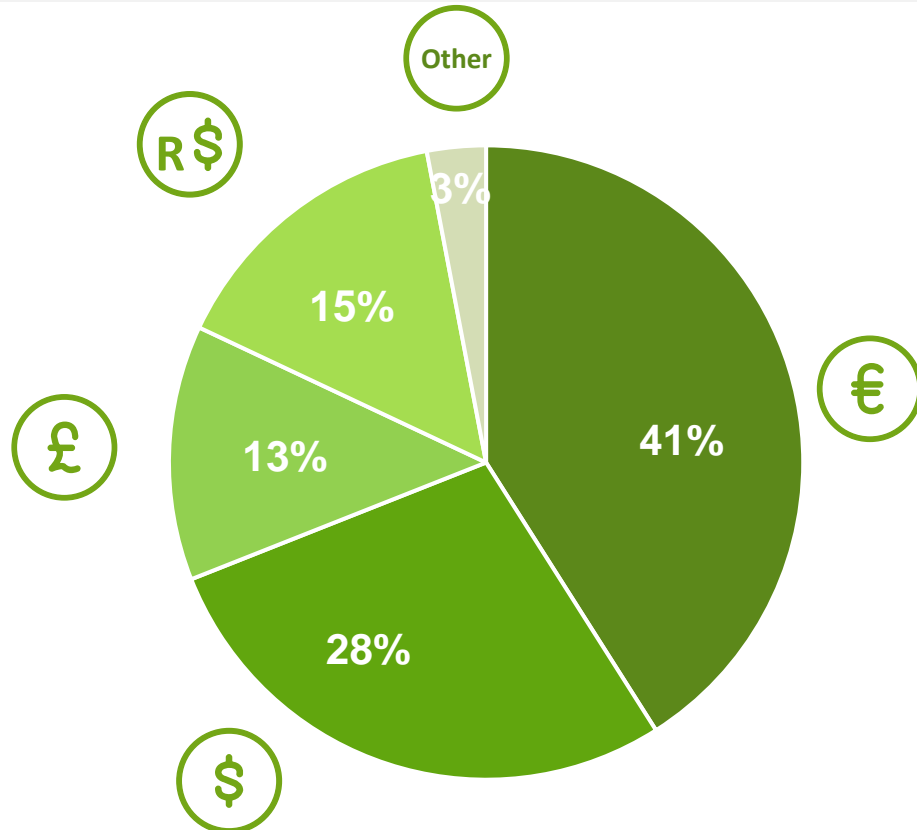


... mainly in BRL compensated by EBITDA indexed to inflation in Brazil
Debt cost excluding Neoenergia increases 2 bps



Iberdrola debt is well positioned against rising interest rates

DEBT SPLIT *



FIXED % RANGE

	Debt **	EBITDA ***
€	75%	~ 50%
\$	90%	~ 90%
£	90%**	~ 55%
	84%	~ 60%
R\$	0%	~ 0%
TOTAL	75%	~ 50%

* Calculated over net debt

** Calculated over net debt with a total of 5.2 bn EUR (including 2.1 bn GBP) in forward-start swaps

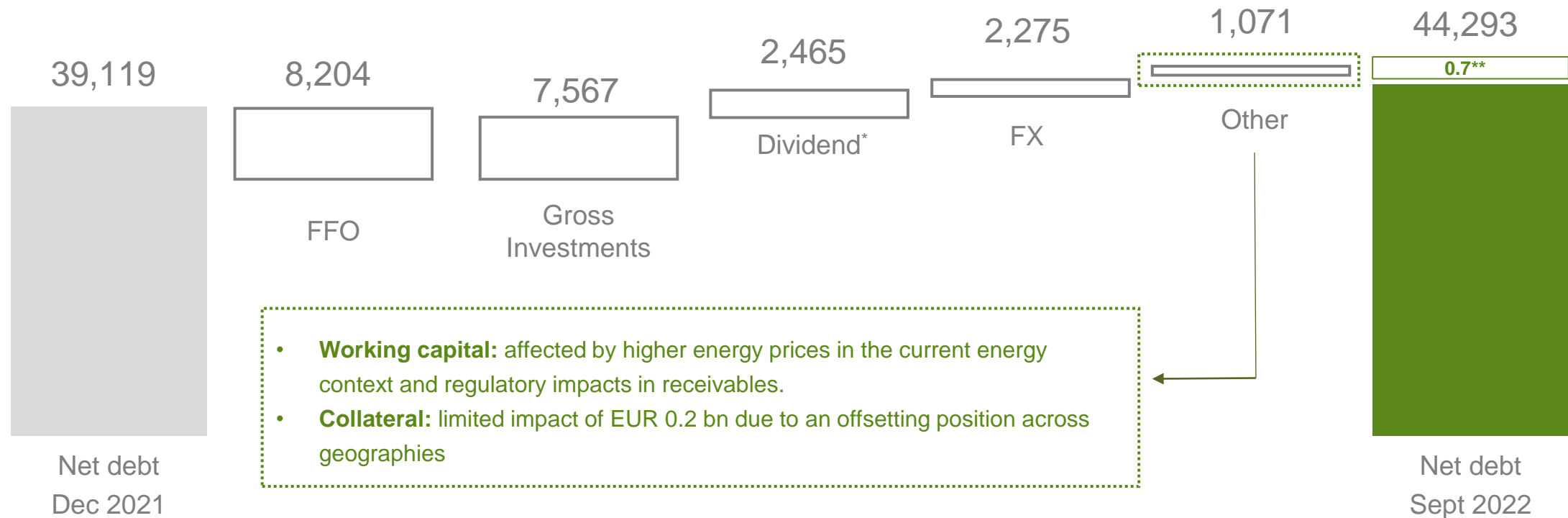
*** Estimated EBITDA. 50% linked to inflation or variable references

Net Debt evolution



Cash flow generation, up 28%, compensates gross investments and FX,

Eur bn



with limited impact from working capital and collateral variations

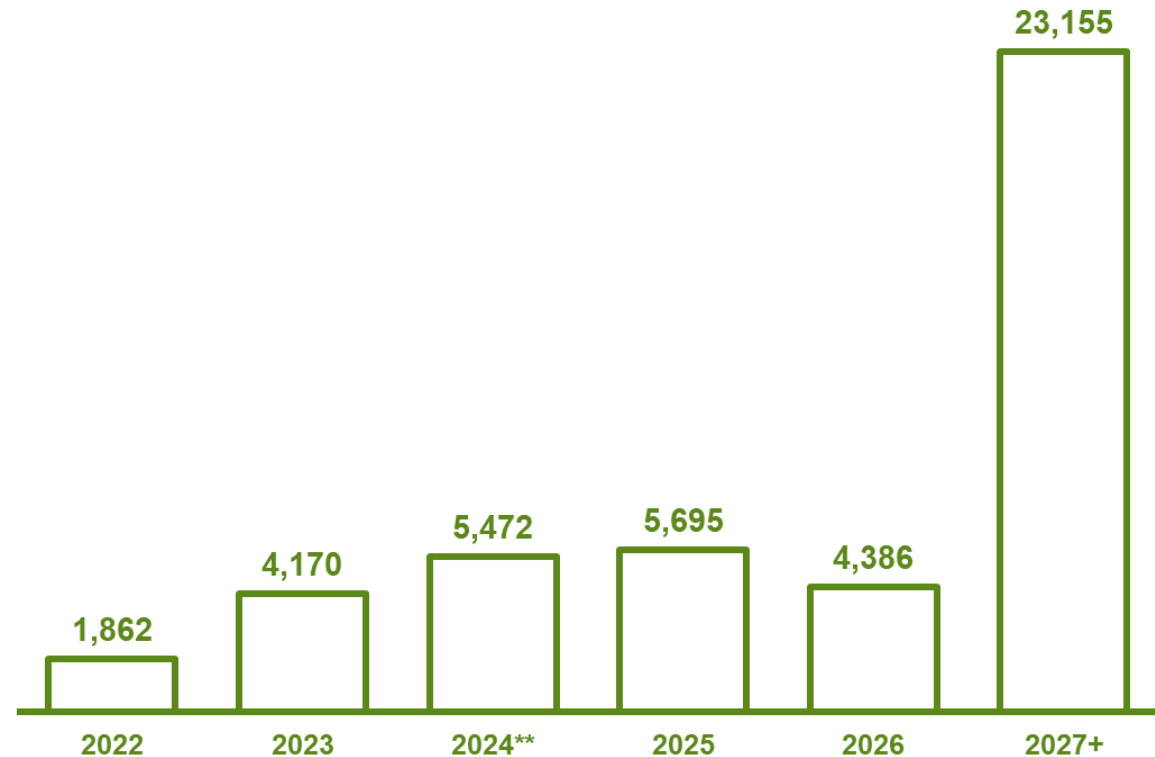
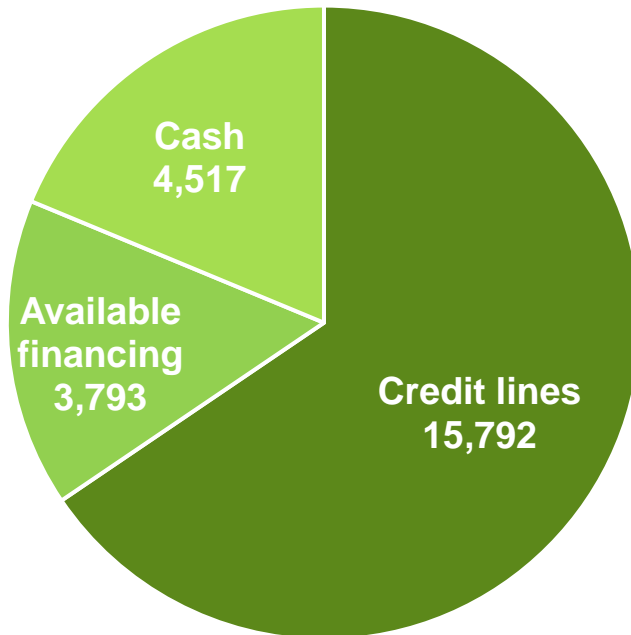


Solid credit metrics due to strong cash flow generation, that more than compensates Net Debt increase

ADJUSTED CREDIT METRICS		
	Sep 2022	Sep 2021 ¹
Adjusted Net Debt / EBITDA	3.3x	3.4x
FFO ² / Adjusted Net Debt	24.3%	23.4%
RCF / Adjusted Net Debt	21.9%	21.0%
Adjusted Leverage	41.4%	41.7%

Liquidity and maturities

As of today, our liquidity totals EUR 24,1 bn covering 27* months of financing needs despite the volatility in the energy markets...



...with an average life of debt of 6 years



Net Profit reaches EUR 3,104 M, driven by operating performance and net positive effect of one-offs

EUR M	9M 2022	9M 2021	vs 9M'21 (%)
EBIT	5,663	4,781	+19%
- Net Financial Expenses	-1,379	-696	+98%
- Equity Method	171	5	n/a
- Corporate Tax	-788	-1,324	-41%
- Minorities	-565	-358	+58%
Net Profit	3,104	2,408	+29%

Equity method includes EUR +225 M of positive non-recurring impact, due to Vineyard Wind restructuring, partially compensated by EUR -60 M of impairment in an Engineering project.

Taxes 9M 2021 included EUR 471 M of negative one off in UK and 9M 2022 positive one offs corresponding to CIP and Brazil

Agenda

Conclusions





REAFFIRMING OUR NET PROFIT OUTLOOK FOR 2022 (EUR 4.0 - 4.2 BN)

| ADDITIONAL GROWTH...



- ~2,500 MW of additional renewable capacity
- Normalized renewable resource in Q4, only partially offsetting YTD dynamics
- Impact of regulatory measures



- EUR ~4,600 M of network investments



- Operating efficiency
- FX impact driven by geographic diversification

| ... MINIMIZING RISKS

- All production for Q4 already sold
- Supplies closed with prices secured
- Business model minimizing impacts of market volatility

- Stable tariff frameworks protecting from macro impacts (demand, inflation)

- ~75% of debt at fixed rate
- Strong liquidity position (27 months)

INTERIM SHAREHOLDER REMUNERATION OF EUR 0.180/SHARE (+5.9%)



UPCOMING CAPITAL MARKETS DAY IN NOVEMBER 9TH 2022...

...WITH MORE INFORMATION ABOUT GROUP OUTLOOK FOR THE NEXT YEARS

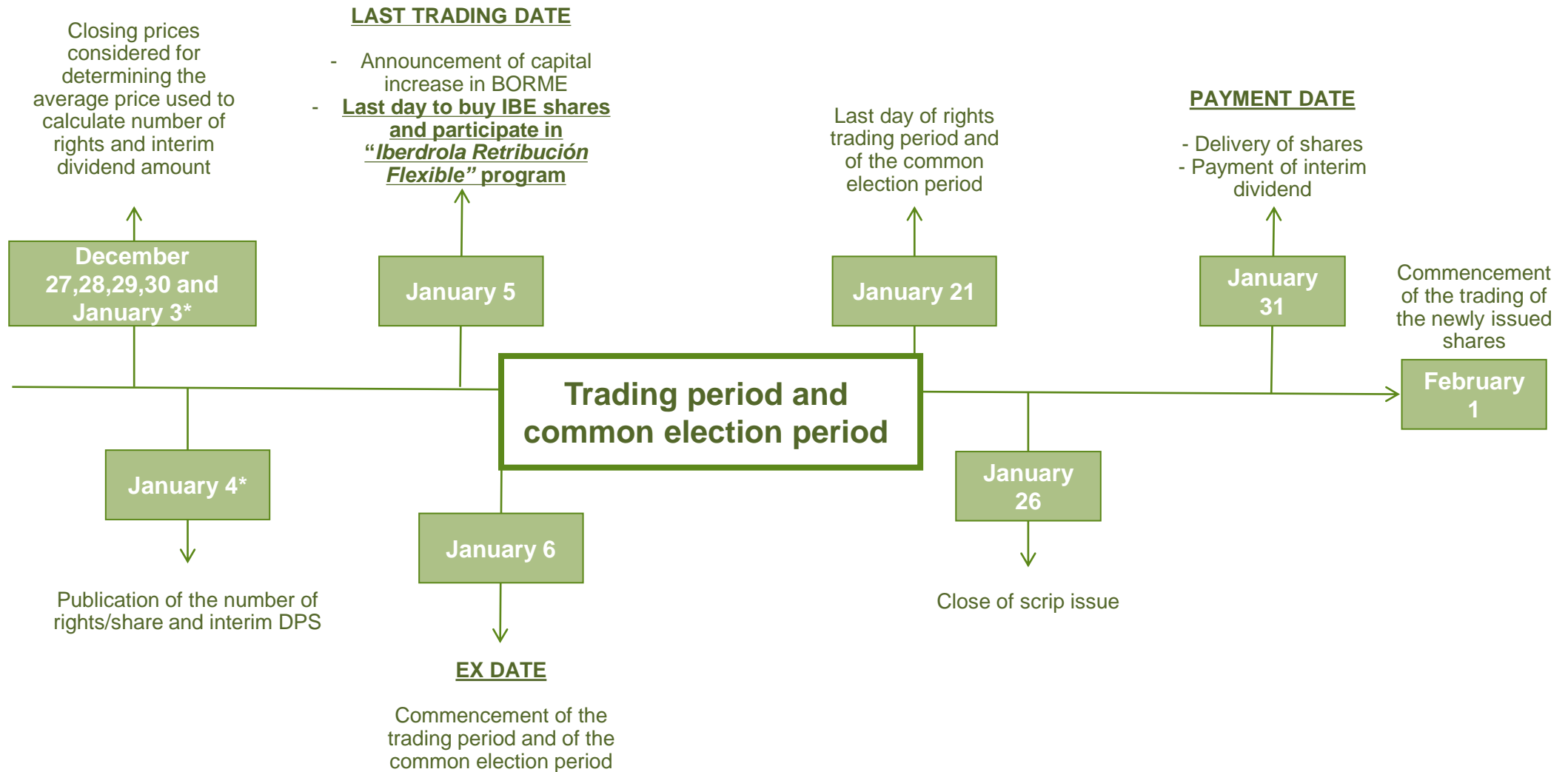
Agenda

Annex I: “*Iberdrola Retribución Flexible*” program

January 2023



“Iberdrola Retribución Flexible” program January 2023



Agenda

Annex II



In 2022 Iberdrola signed EUR 7.4* bn of new ESG financing bringing the cumulative total to EUR 44.7* bn

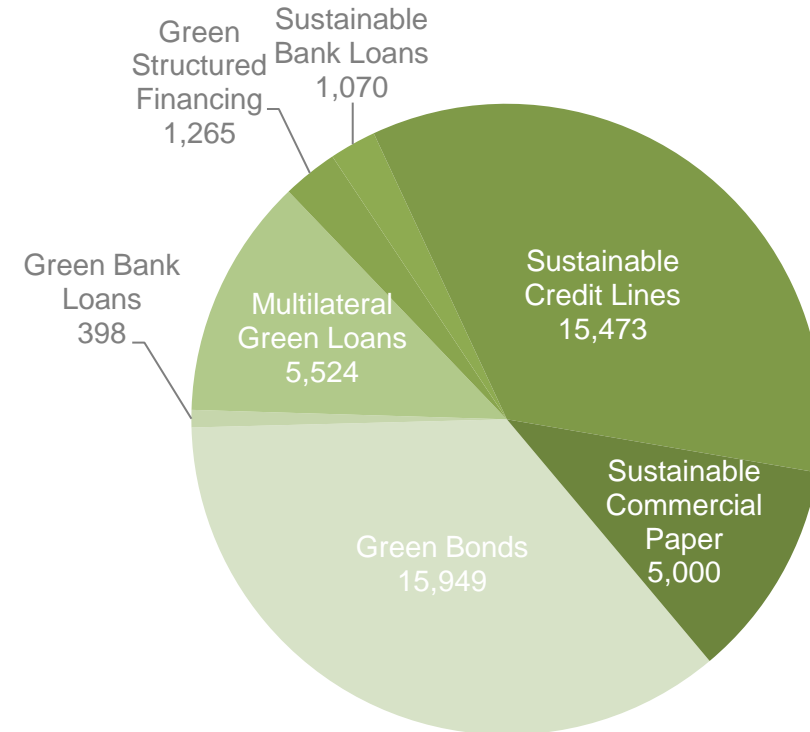
NEW ESG FINANCING 2022: EUR 7,359 M *

78% of newly signed financing are ESG transactions, reaffirming Iberdrola's commitment while becoming its main source of financing

Product	Total
Green	4,039
Senior bonds	1,306
Multilateral loans	2,463
Structured financing	270
Sustainability-linked	3,320
Bank loans	820
Credit lines	2,500
Total ESG	7,359

*Includes all signed financing (subsequent events) regardless of its consolidation % and disbursement date

TOTAL ESG FINANCING: EUR 44,678 M *



IBERDROLA REMAINS THE WORLD LEADING PRIVATE GROUP IN GREEN BONDS ISSUED



Iberdrola monitors the most relevant sustainability indicators in its business strategy and establishes parameters related to ESG criteria in its incentive plans



	2020	2021	Δ Annual average 2017-2021
Own emission-free installed capacity (%)	79	81	+2.3%
Own specific CO ₂ emissions in Europe (t/GWh)	64	60	-16.9%
Own specific CO ₂ emissions (t/GWh)	98	96	-8.3%
Water use/overall production (m ³ /GWh)	434	307	-6.7%
Consumers (million)	34.5	36.1	+15.3%
Employees (#)	37,127	39,955	+3.9%
Gender diversity (% women in management positions)	33	34	-
Injury rate ¹	1.2	1.06	-11.8%
Training hours per employee	53.4	58.6	8.8%
Investments in R+D+i (million euros)	293	338	8.2%
Purchases from local suppliers (%)	89	88	-



Iberdrola, a pioneer in its approach to corporate governance and leader in governance vision from an ESG perspective, according to PWC



Dow Jones Sustainability Index

Only European electricity company included in all 22 editions

FTSE4Good

Included since 2009

CDP A+

Leaders in Climate Change Fight

Energy Intelligence

Second utility worldwide in the Green Utilities Report 2021

Gender diversity

Top 2¹ in IBEX-35 number of women in the Board

Bloomberg Gender Equality Index

Only Spanish utility included in all editions

8 social commitment policies

- Human rights
- Resources & Human Capital
- Equality, diversity and inclusion
- Recruitment
- Knowledge management
- Innovation
- Quality
- Corporate security

ISS Prime

ESG performance above cross-sector comparison

Benchmark with 23 companies²

Iberdrola performs at the top of its peers in 89% of indicators

Business Ethics

Iberdrola, **most ethical in the world** (only Spanish company) for the ninth consecutive year

OpenODS Index

First in ODS 2021 ranking

¹ Data prepared by PWC based on Iberdrola's current data compared with latest available information in annual reports from IBEX-35 companies

² Telefonica, Enagas, Sabadell, IAG, Repsol, REE, Santander, Inditex, Amadeus, Caixabank, Ferrovial, BBVA, National Grid, Enel, Southern Company, Dominion Energy, Duke energy, AEP, Microsoft, BNP Paribas, Diageo, Teladoc, UPM . 61 indicators in the scope