Who is Iberdrola?

More than **600,000 shareholders and several million more** through pension funds and investment funds...

... which today are **mostly international**
Iberdrola Today

One of the largest utilities in the world...

<table>
<thead>
<tr>
<th>Financial Data (M EUR)</th>
<th>Operating Data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Assets</td>
<td>Total Capacity (MW)</td>
</tr>
<tr>
<td>114,000</td>
<td>48,100</td>
</tr>
<tr>
<td>Equity</td>
<td>Renewable Capacity (MW)</td>
</tr>
<tr>
<td>42,600</td>
<td>28,800</td>
</tr>
<tr>
<td>Revenues</td>
<td>Production (GWh)</td>
</tr>
<tr>
<td>29,000</td>
<td>142,000</td>
</tr>
<tr>
<td>EBITDA</td>
<td>Distributed Energy (GWh)</td>
</tr>
<tr>
<td>7,800</td>
<td>230,000</td>
</tr>
<tr>
<td>Net Profit</td>
<td>Served population (M)</td>
</tr>
<tr>
<td>2,700</td>
<td>~100</td>
</tr>
<tr>
<td>Leverage</td>
<td></td>
</tr>
<tr>
<td>44.2%</td>
<td></td>
</tr>
</tbody>
</table>
... leading to a significant growth in recent years

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>Today</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets (EUR bn)</td>
<td>19.7</td>
<td>114</td>
</tr>
<tr>
<td>Equity (EUR bn)</td>
<td>7.8</td>
<td>42.6</td>
</tr>
<tr>
<td>Revenues (EUR bn)</td>
<td>7</td>
<td>29</td>
</tr>
<tr>
<td>Net Profit (EUR bn)</td>
<td>0.9</td>
<td>2.7</td>
</tr>
<tr>
<td>Workforce</td>
<td>9,500</td>
<td>35,000</td>
</tr>
</tbody>
</table>
Committed to sustainable value creation for all our stakeholders

Continuous improvement of the quality of service provided to a population of 100 million people

Employing a workforce of 35,000…

…providing close to 46 hours of training per employee and year…

…and supporting 300,000 jobs globally¹

Supply Chain: around EUR 10,000 M awarded in 2016 to c.18,000 suppliers

¹Total job creation according to PwC Report: economic, social and environmental impacts.
Historical commitment with the environment

Iberdrola stands out by its commitment with sustainability

Incorporation of the Sustainable Development Goals (SDG), defined by the United Nations for 2015-2030 period, into the company strategy and to the Sustainable Policy

Active involvement and presence in Climate Summits, from Copenhagen and Cancun, up to last ones hosted in Paris, Marrakech and Bonn, also on in the technical meetings in order to implement the Paris Agreement

Participating in forums and international initiatives:
United Nations Global Compact, World Business Council of Sustainable Development, Prince of Wales’ Corporate Leaders Group…

Benchmark in international indexes, due to the respect for the environment

- World Benchmark in the Dow Jones Sustainability index in 2017, sole European utility included in all editions
- Sole Spanish utility in 2017 in the Global 100 Most Sustainable Corporations in the World
- World Benchmark in the CDP Climate Change y CDP Supply-Chain in 2017 (Carbon Disclosure Project)
- Well placed in other indexes such as FTSE4Good, Euronext Vigeo, Stoxx…
Leaders in clean energies

75% CO₂ emission reduction since 2000 in Europe
67% lower CO₂/MWh emission than our European continental peers

66% of Iberdrola’s installed capacity is emission free

<table>
<thead>
<tr>
<th></th>
<th>IBERDROLA</th>
<th>European Average¹</th>
<th>U.S. Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewables</td>
<td>59%</td>
<td>38%</td>
<td>21%</td>
</tr>
<tr>
<td>Nuclear</td>
<td>7%</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>Coal</td>
<td>2%</td>
<td>21%</td>
<td>25%</td>
</tr>
<tr>
<td>Gas²</td>
<td>32%</td>
<td>32%</td>
<td>45%</td>
</tr>
</tbody>
</table>

¹. European peer average, including: Enel, Engie, EDF, Gas Natural Fenosa, Innogy, Uniper, Eon, RWE, SSE
². Includes Cogeneration

Commitment of additional 50% emission reduction by 2030
Leaders in clean energies

Iberdrola, leader in renewable energies with an installed capacity of 28,800 MW\(^2\) and 1st wind energy producer worldwide...

1\(^{st}\) investor worldwide in renewable energies: 30 bn Eur renewable investment till 2016 and close to additional 9 bn Eur planned to 2020\(^1\)

Wind energy Ranking

... # 1 Worldwide

... # 1 Europe

... # 1 United Kingdom

... # 1 Spain

... # 3 US

...and leveraging solar solutions for our domestic and industrial clients
Leader in clean energies: Offshore

Boosting offshore wind development in Europe…

European Offshore windfarms and pipeline¹

WoDS 389MW
Irish Sea

EA 1 714MW

St Brieuc 496MW

North Sea

Wikinger 350MW

West of Duddon Sands, UK

EA 3 1,200 MW

Baltic Sea

Europe¹:
*Installed capacity: ~2,000 MW by 2023
Developing a solid offshore pipeline: >3.7 GW

WoDS, Wikinger, Germany

New opportunities in US:
* Vineyard (Massachusetts): up to 1,600 MW
* Kitty Hawk (Carolina del Norte): up to 2,500 MW

In operation (740 MW)

Future Projects

Under construction (1.200 MW)

1. Includes 100% of the projects

…and developing further projects in US
Leaders in energy storage: Pumped storage

4.5 GW pumped storage capacity in operation and construction

Equivalent to ~5 million domestic batteries of 13.5kWh

Tâmega hydro complex project (Portugal)

- Biggest energy project in the history of Portugal, with more than £1.35 billion of investment
- Total installed capacity of 1,154 MW
- Three big Dams: Gouvães (pumping, 880 MW), Alto Tâmega (160 MW) y Daivões (114 MW)
- Commissioning date between December 2021 (Gouvães y Daivões) and June 2023 (Alto Tâmega)
- Creating 14,000 jobs during the construction phase and some hundreds during the operating phase
Leaders in Networks

More than 1,100,000 km of transmission and distribution lines

kms of lines per country

- **Brazil**: 585,000 km
- **Spain**: 268,000 km
- **US**: 172,000 km
- **UK**: 110,000 km

Leaders in Smart grids

- **Spain**: 200,000 km of smart grids and >10 M smart meters installed.
- **UK**: ~700,000 smart meters installed, outperforming regulatory targets.
- **US**: ~1M smart meters installed.
- **Brazil**: 220,000 smart meters installed.
Iberdrola Today

**Innovation**

**Investment of 211 M Eur in innovation in 2016**

- **Smart networks**
- **Clean generation**
- **New business models**
- **Renewable energies**
- **Supporting entrepreneurs**

**Iberdrola ventures** - **PERSEO: 70 M Eur available to invest in start-ups**

One of the 4 first worldwide utility by investment level in R+D+i

The most innovative Spanish Utility and 3rd in Europe

Among the 4 first spanish companies most supportive for startups in Europe

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1. According to PwC report: “Economical, social and environmental impact of Iberdrola in the world” (2015 Data)
2. European Commission R&D Scoreboard
3. European Commission “European Startup Alliance”
Corporate Governance

At the forefront of the best corporate practices, following the latest trends in this field

Permanent contact with our shareholders

Statutory recognition: Social Dividend; Mission, Vision and Values

Commitment of continuous improvement

First listed company that published the Activities Report of the Board of Directors and the committees thereof with the aim of providing more information and transparency

One of the Ibex companies with greater presence of women in the Board, all committees chaired by women

According to the Ethisphere Institute as one of the most ethical companies of the world, being the only Spanish one
Presence focused on the Atlantic Area

**United States**
Power and gas distributor in New York, Maine, Connecticut and Massachusetts through 8 regulated utilities
3rd wind producer

**Mexico**
1st private producer of electricity

**Brazil**
Leading utility in Brazil

**United Kingdom**
1st wind producer & T&D networks in Scotland, Wales and England

**Continental Europe**
1st wind producer in Europe and Spain
67% lower emissions than sector average
Presence in Spain, Portugal, France, Italy, Germany, Greece, Netherlands, Ireland, Belgium, Romania and Hungary.
Iberdrola in Spain

1st energy company in Spain...

Installed Capacity (MW) | 26,000
---|---
Renewable Capacity (MW) | 15,800
Population served (M) | 20
Production (GWh) | 62,800
Distributed Energy (GWh) | 92,300
km of lines | 268,000
Iberdrola in United Kingdom

1st wind producer and 3rd networks company

- Installed Capacity (MW): 4,700
- Renewable Capacity (MW): 2,700
- Population served (M): 10
- Production (GWh): 13,750
- Distributed Energy (GWh): 35,700
- km of lines: 110,000
## Iberdrola in the rest of Europe

### 100% Renewable Energy:

<table>
<thead>
<tr>
<th>Energy Source</th>
<th>Capacity In Operation (MW)</th>
<th>Capacity in construction/development (MW)</th>
<th>Offshore Wind pipeline (MW)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind</td>
<td>1,000</td>
<td>1,650</td>
<td>830</td>
</tr>
<tr>
<td>Offshore Wind</td>
<td>350</td>
<td>496</td>
<td></td>
</tr>
<tr>
<td>Offshore Wind: under development</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hydro under construction</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PV</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Power Retail Business</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Presence in +10 European countries

- Italy
- France
- Portugal
- Germany

- Offshore Wind - Wikinger (Germany)
- Offshore Wind - St. Brieuc (France)
- Hydro pumped storage - Tamega (Portugal)
- Offshore Wind pipeline (Germany)

- Retail activity
Iberdrola in US: Avangrid

3rd wind producer in the US and Power and gas distributor in New York, Maine, Connecticut and Massachusetts

Installed Capacity (MW) 7,300
Renewable Capacity (MW) 6,400
Population served (M) 10
Production (GWh) 17,900
Distributed Electricity (GWh) 39,000
Distributed Gas (GWh) 42,000
Km of lines 172,000

Presence in 27 States and Canada
The incorporation of Elektro’s businesses in Neoenergia creates the biggest electricity utility company in Brazil in terms of customer numbers, with more than 13.4 million users.

<table>
<thead>
<tr>
<th>Population served (M)</th>
<th>34</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Capacity(^1) (MW)</td>
<td>4,400</td>
</tr>
<tr>
<td>Renewable Capacity(^1) (MW)</td>
<td>3,800</td>
</tr>
<tr>
<td>Service area (km(^2))</td>
<td>836,000</td>
</tr>
<tr>
<td>km of lines</td>
<td>585,000</td>
</tr>
</tbody>
</table>

Presence in 16 States

1. Installed capacity or under construction and associated output
1st private producer of electricity in Mexico (15% of total country’s production)...

Installed Capacity¹ (MW) 10,200
Renewable capacity (MW) 1,000
Production¹ (GWh) 72,000

Presence in 13 States

1. Installed capacity or under construction and associated output

Comb. Cycles
Wind Farm
Cogeneration
Comb. Cycles under construction
Cogeneration under construction
Wind Farm under construction
PV under construction