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Demand has exceeded 3 billion euros, with more than 185 international investors

## **Iberdrola reopens the fixed income Euromarket with a €1 billion green bond issue**

With a ten-year maturity, the coupon was set at 1.375%, demonstrating Iberdrola's leadership in this type of issue, in a complex market context, marked by the instability of the last few days,

- Iberdrola has reopened the fixed income market in Europe in the midst of the crisis generated by the war in Ukraine, by successfully closing the issue of a new green bond for an amount of €1 billion and with a ten-year maturity. The company has thus become the first Spanish issuer to enter the market in the current situation and one of the first European issuers, along with Germany's BASF, Denmark's Vestas and the US company Berkshire Hathaway, which joined it today.
- This operation allows it to reinforce its already comfortable liquidity position, anticipating a large part of the financing to be provided during 2022 at excellent conditions and reducing the market risk due to the evolution of interest rates and credit spreads.
- With demand exceeding €3 billion, the coupon was set at 1.375%, which was made possible by achieving a spread of 60 basis points over the mid-swap benchmark for the corresponding maturity.
- The good conditions obtained demonstrate the solidity and robustness of Iberdrola's solvency, as well as Iberdrola's leadership in its green financing strategy, and endorse its track record in the financial markets. Specifically, the issue has been placed among 181 investors, mainly from Europe and the United Kingdom.
- Green bonds tend to generate higher demand and lower costs, as socially responsible investors are added to the interest of regular investors. A large part of the transaction (69% according to BBVA, the transaction's *Green Advisor*) has been placed among this group of investors, so Iberdrola continues to diversify its investor base and expand demand, which improves the execution of these transactions in difficult market times.
- The funds raised will be used to partially finance the group's investments in renewable *offshore wind* installations in France (the offshore St. Brieuc wind farm) and Germany (Baltic Eagle).
- Nine leading international banks, Bank of America (Coordinator), Citibank, BNP, HSBC, BBVA, Santander, Sumitomo, Intesa San Paolo and ING, participated in the placement, in an extremely volatile market context due to the global uncertainty generated by the war in Ukraine.

- With this new issue, the company chaired by Ignacio Galán continues to consolidate its leadership in sustainable financing, with more than €39 billion of live operations, of which nearly €16 billion are green bond issues.
- One of the main characteristics of *green* bonds is that the funds raised are used to finance sustainable, socially responsible projects with a positive impact on the environment.