

This issue, which coincides with the Davos Forum, is structured in a single tranche, the coupon to be paid is 4.875%.

We issue €1 billion in green hybrid bonds

- **The transaction takes place in the context of the refinancing of the hybrid bond issued in 2017, which has a repurchase date between February and May 2023.**
- **Demand has reached €7 billion, demonstrating Iberdrola's attractiveness to investors**

Iberdrola has surprised the market once again. The company has today set the terms and conditions of a new hybrid green bond, amounting to €1 billion, as reported to the National Securities Market Commission (CNMV). The volume of demand and the conditions of this transaction once again demonstrate the great confidence of the market and investors in the solidity and solvency of the energy company's business and growth plans. This transaction will serve to maintain the volume of hybrids alive, as advanced in its strategic plan presented on 9 November 2022, before the exercise of the option to repurchase the €1 billion in hybrid bonds already issued in 2017.

Like the rest of Iberdrola's hybrids, the bond issued is perpetual, but has an option to repurchase at par after five and a half years. Subsequently, Iberdrola may repurchase the bond on an annual basis, coinciding with the coupon payment date.

This has been fixed at 4.875%. These conditions are very advantageous as it is a subordinated instrument. The last issue of this type of debt by Iberdrola dates back to November 2021, with a current portfolio of 8.25 billion in hybrids.

The company has issued €1 billion, taking advantage of the good market conditions, limiting the risks of interest rate rises or a possible worsening in the credit markets. In this way, Iberdrola will continue to maintain its excellent financial health.

In addition, 50% of the hybrid bonds count as equity, in accordance with the methodology of the main rating agencies, so this operation contributes to maintaining the group's credit ratings.

The demand registered reflected the strong interest of fixed income investors in Iberdrola, reaching €7 billion, seven times the offer. This was possible thanks to the participation of around 360 qualified international investors, mainly from Europe and the United Kingdom.

The proceeds will be used to refinance the similar transaction made in 2017 and will continue to finance the same assets that were financed with it (onshore wind farms in the UK).

Nota de prensa