

Iberdrola signs its largest ever credit line for €5.3 billion with 33 banks

- *The credit line is linked to the fulfilment of two sustainability objectives: the reduction of greenhouse gas emissions by 2030 (scopes 1, 2 and 3) and the increase in the percentage of women in relevant positions in the company. Iberdrola is the first electricity company to include all three scopes in an operation of this type.*
- *The group has €20.2 billion in liquidity, including credit lines, of which more than 96% are sustainability-linked.*

Iberdrola continues to strengthen its liquidity position, confirming today that it has refinanced €5.3 billion by signing its largest ever credit facility. The agreement, signed with 33 international banks, also helps to consolidate its leadership in sustainable financing, with the conditions of the facility linked to a series of ESG objectives.

The operation has been completed at competitive rates, similar to those agreed by Iberdrola in 2019. The transaction was oversubscribed by more than 40%, demonstrating the banking world's strong confidence in the strategy and solvency of Europe's largest electricity utility by market capitalization, and the second largest in the world.

[Ignacio Galán, Executive Chairman of Iberdrola](#), noted that the operation endorses the market's confidence in the group: "This credit line demonstrates the financial community's solid commitment to our strategy based on value creation through investment in networks and renewable energy projects, underpinned by strict financial discipline. The transaction also strengthens our commitment to our ESG objectives, as it links the cost of financing to the reduction of carbon emissions and the presence of women in relevant positions."

With an initial duration of 5 years, the multi-currency credit facility has an option to extend for two additional years. The agreement strengthens Iberdrola's commitment to maintain optimal liquidity, which stood at €20.2 billion at the end of the third quarter.

The rates agreed as part of the credit facility are subject to the fulfilment of two strategic [ESG objectives](#) for the group. Firstly, the [reduction of carbon equivalent emissions](#) under scopes 1, 2 and 3. Including scope 3 emissions reduction, which is not typical in this type of transaction, highlights Iberdrola's continuing leadership in energy decarbonisation.

The second ESG objective focuses on increasing the percentage of women occupying relevant positions in the company.

The rates agreed for the credit facility can be adjusted up or down annually according to the delivery of objectives.

In total, 96% of the Iberdrola's credit lines are sustainability-focused, contributing towards the UN's [Sustainable Development Goals \(SDGs\)](#). As well as contributing to goals 7 (clean and accessible energy) and 13 (fight against climate change), the new operation broadens Iberdrola's objectives to also include goal 5 (gender equality and empowerment, empowerment of women and girls).

BBVA acted as global coordinator and agent bank. The sustainability coordinators were BBVA, Santander and Credit Agricole.

Global leader in sustainable and green financing

Iberdrola has established itself as a global benchmark in sustainable finance. The company was the first Spanish group to issue green bonds in 2014 and is now the world's leading private issuer of green bonds. The group currently has almost €20 billion of outstanding [green bonds](#).

Iberdrola agreed its first green loan in 2016 for €500 million, before focusing its strategy for loans and credit lines to be aligned with sustainability objectives.

This financial strategy (ESG + F) strengthens Iberdrola's record €47 billion investment plan announced in November 2022, for the period 2023 through 2025. The plan aims to boost the decarbonisation of the economy and the move away from fossil fuels, with a strong commitment to smarter electricity grids and renewables. Iberdrola will update this plan in March 2024 at of its next Capital Markets Day.