

Iberdrola closes its largest issue of green bonds in sterling for 15 years with strong support from investors

- *The electricity company issues 12-year green debt for 500 million pounds (around 600 million euros) with demand four times higher, which has allowed it to obtain a competitive coupon of 5.25%*
- *The company continues with its strategy of diversifying its sources of financing after the Q3 results were presented yesterday*
- *It is the first bond that Iberdrola issued in sterling since a 350 million pounds issue from ScottishPower Transmission in 2019*
- *It is also the largest transaction in the British market for Iberdrola since 2009*

Iberdrola continues to diversify its sources of financing. The company, chaired by Ignacio Galán, has issued 12-year green bonds for 500 million pounds (600 million euros). This is Iberdrola's largest issue in sterling since 2009. The company last issued a bond in Sterling in 2019, through its subsidiary Scottish Power Transmission. In addition, it is its first green bond Iberdrola has issued in sterling. Iberdrola becomes the only European utility able to access EUR, GBP and CHF in 2024.

Demand exceeded 2.1 billion pounds (2.5 billion euros), and this has allowed the spread over the reference interest rate to be reduced to 95 basis points (from the initial 125 basis points). This is the largest reduction recorded in this market by a recurring issuer this year. The coupon has been set at 5.25%, after attracting the interest of more than 140 investors (the largest number for a corporate issuer in the sterling market this year), especially those committed to ESG, thanks to the green nature of the transaction, which will finance future investments in the United Kingdom in the renewables business.

Barclays, HSBC, Goldman Sachs and NatWest all participated in the issue. Iberdrola is the only Spanish corporation to access the GBP market in 2024.

This is the sixth public transaction by Iberdrola in the market so far in 2024. The first was the hybrid bond of 700 million euros issued in January; the second, in the Swiss market for 335 million francs at the end of June; the third, the senior bond for 750 million euros issued in July; the fourth was carried out in August, when Iberdrola placed 525 million dollars (490

million euros) through the US subsidiary; and the fifth took place on September 23, when it sold 2.15 billion euros in the largest issue of senior debt in its history.

The rate achieved is equivalent to that which would have been obtained in the Euromarket, with additional value of diversification of currency.