

Iberdrola issues a €600 million EU Green hybrid bond

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- The demand registered reflected investors' keen interest in Iberdrola, reaching more than €5 billion, with the participation of almost 280 qualified international investors

Iberdrola has returned to the capital markets, this time to refinance a hybrid bond maturing at the end of April this year. The company has placed €600 million in green hybrid bonds, as reported to the Spanish National Securities Market Commission (CNMV). The bond, which by its hybrid nature is in principle perpetual, has a call option at par starting in December 2032.

The demand registered reflected the great interest of investors in Iberdrola, reaching more than €5 billion, with the participation of almost 280 qualified international investors, which allowed Iberdrola to significantly narrow the margin offered. The main geographical areas covered by the transaction are the United Kingdom (27%), France (24%), Germany (14%), Spain (10%), the Netherlands and Luxembourg (10%) and Italy (5%).

Finally, with a book close to €2 billion, Iberdrola has managed to set the coupon at 3.95%, which is very competitive and below the theoretical benchmark based on the price of its bonds on the secondary market, achieving the lowest premium ever for a Spanish issuer. All of this highlights investors' strong appetite for Iberdrola's credit and their confidence in the Group chaired by Ignacio Galán, following the good results for the 2025 financial year presented yesterday, positioning it as *best in class* in the market.

The company has taken advantage of the market window that opened up after its results presentation, with costs at annual lows and in anticipation of a possible flood of competitive offers starting next week.

Eight leading international banks participated in the placement: BNP, HSBC, Unicredit, BBVA, Santander, Natixis, SMBC and Commerzbank, which facilitated access to investors in a highly satisfactory manner.

It should be noted that this is a green bond, which combines both the ICMA Green Bond Principles and the new European Green Bond Standard "EU Green", with more than 62% participation from sustainable investors.

The issue closed today by Iberdrola is its first public transaction on the market so far this year. This transaction will serve to refinance a transaction of the same type, which will be

repurchased in the near future, thus maintaining the company's hybrid volume stable at €8.25 billion, as committed by the issuer at its recent Capital Markets Day in London.

Hybrid bonds count as 50% capital, in accordance with the methodology of the main rating agencies, meaning that this transaction contributes to maintaining the group's credit ratings. Iberdrola's last issue of this type of debt was in November 2024 with a coupon of 4.247%.

About Iberdrola

With a market capitalisation of €135 billion, Iberdrola is Europe's largest electricity company and one of the two largest worldwide. The Group serves more than 100 million people worldwide and has a workforce of 45,400 employees and assets of €161 billion. In 2025, Iberdrola posted a record net profit of €6.285 billion. The company contributes nearly €10.4 billion in taxes in the countries where it operates and supports more than 500,000 jobs throughout the supply chain, thanks to €13.2 billion in purchases from tens of thousands of suppliers.

Since 2001, Iberdrola has invested more than €175 billion in electricity grids, renewable energy and energy storage to contribute to the creation of an energy model based on electrification. The company has around 1.4 million km of electricity grids in the United States (states of New York, Connecticut, Maine and Massachusetts), the United Kingdom (Scotland, England and Wales), Brazil (the states of Bahia, Rio Grande do Norte, Pernambuco, São Paulo and Mato Grosso do Sul, as well as Brasília) and Spain, as well as 58,000 MW of capacity worldwide, of which more than 45,000 MW are renewable.