

Bilbao, 2 February 2021

**To the National Securities Market Commission**

**Subject: Other relevant information / Issuance of a (double tranche) hybrid bond by Iberdrola International B.V. guaranteed on a subordinated basis by Iberdrola, S.A.**

Pursuant to article 227 of the restated text of the Securities Market Law approved by the Royal Legislative Decree 4/2015, of 23 October (*texto refundido de la Ley del Mercado de Valores aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre*) and related provisions, we hereby inform you that Iberdrola International B.V.<sup>1</sup> (the “**Issuer**”) has finalised today the pricing and the terms and conditions of an issuance of its Non-Call Undated Deeply Subordinated Reset Rate Guaranteed Securities (the “**Securities**”), guaranteed on a subordinated basis by Iberdrola, S.A. (the “**Guarantor**”), for a total amount of EUR 2,000 million (the “**Issuance**”), divided into two tranches amounting to EUR 1,000 million each (the “**First Tranche**” and the “**Second Tranche**”, respectively). The Securities will be issued at a price of 100 % of their nominal value.

The Securities of the First Tranche will bear interest based on an annual fixed coupon of 1.45 % from (and including) the issue date to (but excluding) 9 February 2027 (the “**First Reset Date of the First Tranche**”).

From (and including) the First Reset Date of the First Tranche, they will bear an interest equal to the relevant 5 year Swap Rate plus a margin of:

- (i) 1.832 % per annum in respect of the five-year reset period commencing on the First Reset Date of the First Tranche;
- (ii) 2.082 % per annum in respect of the five-year reset periods commencing on 9 February 2032, 9 February 2037 and 9 February 2042; and
- (iii) 2.832 % per annum in respect of any subsequent five-year reset period.

The Securities of the Second Tranche will bear interest based on an annual fixed coupon of 1.825 % from (and including) the issue date to (but excluding) 9 February 2030 (the “**First Reset Date of the Second Tranche**”).

From (and including) the First Reset Date of the Second Tranche, they will bear an interest equal to the relevant 5 year Swap Rate plus a margin of:

- (i) 2.049 % per annum in respect of the five-year reset period commencing on the First Reset Date of the Second Tranche;
- (ii) 2.299 % per annum in respect of the five-year reset periods commencing on 9 February 2035, 9 February 2040 and 9 February 2045; and
- (iii) 3.049 % per annum in respect of any subsequent five-year reset period.

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<sup>1</sup> A subsidiary wholly owned directly by Iberdrola, S.A.



The Issuer may, at its sole discretion, elect to defer any payment of interest on the Securities, without constituting an event of default. Any interests so deferred will be cumulative and arrears of interest will be payable in certain events set out in the terms and conditions of the Securities.

Likewise, the Issuer may redeem the Securities in certain specific dates or upon the occurrence of certain events described in the terms and conditions of the Securities.

The closing and payment of the Issuance are expected to take place on on 9 February 2021, subject to compliance with certain conditions precedent customary for transactions of this type, as set out in the subscription agreement governed by English law that is expected to be entered into by the Issuer, the Guarantor and the joint bookrunners in connection with the Issuance.

The Issuance will be placed among institutional investors by BBVA, BofA Securities, CaixaBank, Citi, Commerzbank, Credit Suisse, Goldman Sachs Bank Europe SE, IMI-Intesa Sanpaolo, ING, Natixis, NatWest Markets, Santander and SMBC Nikko.

The Issuer will request the admission to trading of the Securities on the Luxembourg EuroMTF market.

This information is provided to you for the appropriate purposes.

Secretary of the Board of Directors

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### IMPORTANT INFORMATION

This communication does not constitute an offer to purchase, sell or exchange or the solicitation of an offer to purchase, sell or exchange any securities. The shares of Iberdrola, S.A. may not be offered or sold in the United States of America except pursuant to an effective registration statement under the Securities Act or pursuant to a valid exemption from registration.

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