

Iberdrola Issues £500 Million Green Bond in the UK Market

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Iberdrola, a global energy leader, has successfully issued a £500 million green bond in the UK market. This marks Iberdrola's largest sterling bond issuance since 2009 and its first-ever green bond in sterling.

The strong demand for the bond, exceeding £2.1 billion, allowed Iberdrola to reduce the spread over the reference interest rate to 95 basis points, a significant reduction from the initial 125 basis points. The coupon has been set at 5.25%, attracting the interest of over 140 investors, particularly those committed to Environmental, Social, and Governance (ESG) principles.

The proceeds from the green bond will be used to finance future renewable energy investments in the United Kingdom. This issuance further solidifies Iberdrola's position as a leading player in the global renewable energy sector.

Iberdrola's active presence in the capital markets has been evident in 2024, with six public transactions completed so far. These transactions have included bond issuances in euros, Swiss francs, and US dollars, demonstrating the company's strong financial position and investor confidence.

By diversifying its funding sources and accessing the UK market, Iberdrola aims to strengthen its financial flexibility and support its ongoing growth strategy.