



Spanish Chamber
of Commerce in
the United Kingdom
EST. 1886

VII BAROMETER

ON THE CLIMATE AND OUTLOOK
FOR SPANISH INVESTMENT IN THE UK



DECEMBER 2025

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A MESSAGE FROM THE PRESIDENT

I often say that over the past 25 years in London, I have witnessed many moments that have made me proud to be a Spaniard living in the UK. Spanish success here has always felt personal to me. When one Spanish company succeeds, we all do. That is why I have followed the progress of Spanish investment in the UK so closely – not just as a professional, but also out of genuine conviction.

When the Chamber launched this initiative seven years ago, it was a real joy to see a tangible product that captured that success. As a Board Member having now completed 15 years of service to the Chamber, I followed the Barometer from its inception to its presentation. Now, as President, I have the honour of introducing it.

It has been incredibly rewarding to see this initiative grow year after year – even amid turbulence, geopolitical tensions and economic uncertainty. Yet, despite these global challenges, the state of Spanish investment in the UK has never been stronger. The Chamber, too, has never been more robust, more aligned and more active. Our partnerships with both governments continue to deepen, and our mission remains clear: to bring value to our Members and Patrons, constantly evolving and expanding our reach.

We are proud to have become a benchmark for Spanish Chambers abroad. This report has also become a key reference point for public institutions, firmly establishing itself as the only annual bilateral forum that brings together representatives from both governments and the private sector to analyse the state of Spanish investment in the UK.

We must not underestimate the significance of our bilateral relationship. The UK is the second-largest destination for Spanish investment – a fact that speaks for itself. The companies sponsoring this edition of the Barometer are a clear reflection of this strategic importance.

Of course, we cannot ignore the global challenges we face. Heightened geopolitical risk, ongoing conflicts and trade tensions –including US tariffs– continue to shape an ever more complex international landscape. Yet, even in this context, we have reason to be optimistic.

Spanish investment in the UK remains both resilient and strategic. This year's Barometer reveals significant activity in key sectors like telecommunications, energy, cosmetics, and a continued focus on digital transformation and productivity. Importantly, most Spanish companies in the UK plan to expand or maintain their workforce – a strong signal of long-term commitment and trend of ongoing good performance.

Spanish businesses are generating over 140,000 direct and indirect jobs across the UK. What the data tells us is something important: our companies are not only investing, but they are also creating value. These results reflect a long-term trend of strength and collaboration between our two nations.

I would like to thank all our sponsors for making this project possible. In particular, I want to recognise those who have supported the Barometer every year since its launch in 2018: BBVA, Exolum, Ferrovial, Sabadell and Uría Menéndez. Alongside Abanca, Clece Care Services, FCC, Finsa, Iberdrola and Indra, their continued commitment underlines the significance of this initiative. We also extend our thanks to the over 120 companies that completed the survey.

I am grateful for the privilege of being the President of the Spanish Chamber. These first six months have been extraordinary, and this is a remarkable way to close the year. My first official engagement was a reception at 10 Downing Street for the signing of the strategic bilateral framework on 3rd September by Prime Minister Starmer and President Sánchez. The agreement sets out plans to deepen cooperation between countries on key areas such as sustainable growth, climate and energy, security, migration, and several social initiatives. The Chamber's presence at this event represented a landmark achievement for our institution, and a testament to the strength of our relationships with the Department for Business & Trade, the Spanish Ministry for Trade and Economy, Cámara de España, the Economic & Commercial Office, and –most crucially– both the Spanish Embassy in London and the British Embassy in Madrid. Our nearly 300 Members are the direct beneficiaries of these strengthened ties.

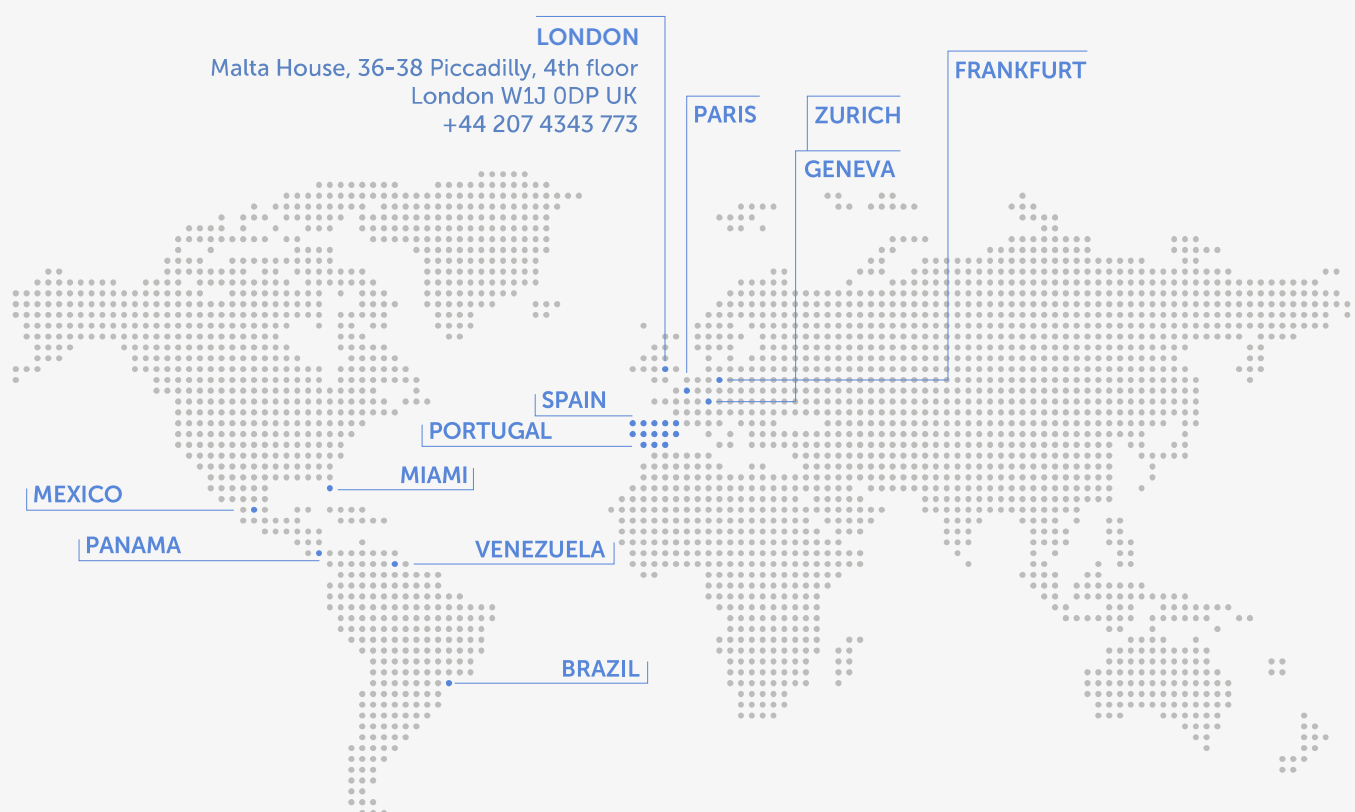
I hope that you are as proud to be a part of this community as I am. This report is more than just a collection of data – it reflects our shared commitment to growing the Spanish-British economic partnership.

I'm certain that you find this report insightful, inspiring, and valuable.

Mr. Juan Carlos Machuca

President of the Spanish Chamber of Commerce in the United Kingdom

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ABOUT THE BAROMETER ON THE CLIMATE AND OUTLOOK FOR SPANISH INVESTMENT IN THE UK

The **Barometer on the Climate and Outlook for Spanish Investment in the UK** is an annual report led and published by the **Spanish Chamber of Commerce in the UK since 2019**. The report is divided into two sections: the first offers **an analysis of the latest available data on the value of Spanish investment in the UK**, while the second presents **insights into Spanish investors' perceptions of the British market's attractiveness**, drawn from a survey of over 100 companies.

The collection of this information allows each Barometer to serve as **an official source of data** for anyone involved in the British-Spanish business community or interested in joining it. Having reached the 7th edition of the Barometer this year, the report has consolidated itself as **a valuable tool for analysing the journey of the Spanish investment in the UK** in the context of continued global economic turbulence.

Additionally, **the event at which the Barometer is presented** has also become a must-attend occasion: it gathers British and Spanish representatives from diverse areas such as government, diplomacy, and private companies at the end of each year. Held at the **Spanish Embassy in London**, this event also hosts high-level panellists from key Spanish investors in the UK.

Reflecting on the previous editions of this publication, one of the main conclusions of the first Barometer, published in **2019**, was that interest from Spanish investors in the UK market had not declined significantly since the 2016 EU referendum.

The **2020** and **2021** editions highlighted the impact of Brexit and COVID-19 on Spanish investment in the UK. The fourth edition confirmed that the British market remained a key destination for Spanish investment in **2022**. Despite challenges such as inflation, the **2023** report indicated that most companies planned to increase their investments and activities in the UK, and that Spanish investment reached an absolute record level of more than €81 billion.

The backdrop for the **2024** edition was economic buoyancy in Spain, which led Eurozone growth in that year. Whilst the UK lagged behind, it did show slow signs of economic rebound. The central banks had embarked on monetary easing and the labour market continued to normalise.

As the Chamber presents the **2025** edition in the following pages, the Barometer on the Climate and Outlook for Spanish Investment in the UK is the most up-to-date **key reference publication for investors and businesses**. By providing comprehensive insights and analyses, this publication will serve as a resource for understanding the **evolving landscape of investment opportunities**, helping stakeholders make informed decisions when operating in the dynamic UK market.

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BBVA was recently honoured with the "Empowering Energy Transition" award at the 2025 UK-Spain Business Awards.

Let's move forward.

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Note: The findings, assessments, forecasts and opinions presented in this report do not necessarily reflect the standpoint of the companies that sponsor it, the Official Spanish Chamber of Commerce in the United Kingdom or their Members.

EXECUTIVE SUMMARY

- **The presentation of this Barometer comes at a time of uncertainty as a result of growing trade protectionism.**

Despite the adverse climate, the UK and Spanish economies have been surprisingly strong. Within the Eurozone, Spain has spearheaded growth, outperforming the expectations held at the start of the year, posting an annual growth of 3.4% in the first half of 2025. The agreement between the UK and the US mitigated some of the uncertainty, allowing the British economy to continue to grow and putting it in a more favourable competitive position than the European Union as a whole. Looking ahead to 2026, geopolitical risk remains high and constitutes the chief challenge for the economy and global investment.

- **According to the data published by the Secretary of State for Commerce, the stock of Spanish foreign direct investment (FDI) in the UK contracted by 9.5% in 2023 to €83.0 billion.** Despite this contraction, Spain's investment position in the UK that year was the second highest on record (in 2007). The UK is the second most important destination for Spanish investment overseas, accounting for 13.1% of the country's total stock.

- **In 2023, Financial services represented 25.7% of total Spanish investment in the UK (€21.34 billion), followed by Wholesale trade (€18.02 billion).** In terms of the importance of certain sectors of the UK market for Spanish investment, it is worth noting that the *British Air transport* sector accounts for 96.2% of all Spanish FDI in that sector (€2.59 billion).

- **Flows of investment to the UK continued to show signs of recovery in 2024, reaching €4.88 billion, making it the number-two destination for Spanish FDI that year.** Since the start of the historical series in 1993, the UK has attracted €170.94 billion of Spanish FDI flows (gross), cementing its position as the top long-standing destination for productive investment. However, flows slowed in the first half of 2025, to €331 million, in an environment marked by heightened economic and geopolitical uncertainty.

- **In 2024, FDI flows were markedly concentrated among a few sectors, with Telecommunications garnering 60.5% of the total (€2.95 billion), followed by Manufacture of perfumes and toilet preparations, which attracted 12.5% (€609 million).** On a cumulative basis since 1993, the main recipient sectors, ranked by investment volumes, have been *Telecommunications* (29.2% of the total), *Financial services* (16.5%), *Manufacture of non-metallic mineral products* (14.6%) and *Energy supply* (14%). In the first half of 2025, *Energy supply* collected 73.7% of total flows, or €244 million.

- **Spanish investment in the UK helped create and maintain over 140,900 jobs in 2023** (the last year for which FDI stock statistics are available). That figure is equivalent to around 0.4% of total employment in the UK. As a result, the significance of Spanish FDI for the British labour market increased by 6% by comparison with the previous year. The direct impact of Spanish investment is estimated at around 80,700 jobs, with the indirect impact assessed at 60,200 jobs, generated by knock-on effects on the sectors that supply the sectors in which the Spanish firms have invested in the UK.

• **The Spanish companies that operate and have productive investments in the UK gave the business climate in Britain an overall score of 2.9 points (on a scale of 1 to 5) in the 2025 edition of the Barometer.** That assessment is in line with the 2024 score (a scant 0.1 points lower). Seven out of every 10 companies surveyed described the business climate in the UK as, at least, 'acceptable' (a score of 3 or higher). However, a higher percentage of firms (47% of the total) reported perceiving a degree of deterioration in the business climate over the last 12 months in this edition of the Barometer.

• **The top-rated attribute of the British business climate has consistently been, and was once again this year, the existence of a "favourable ecosystem for the development and implementation of digital processes"** (with a score of 3.6 out of 5). The next biggest strength was, for the second year in a row, the "commitment to sustainability at the economy and firm levels" (3.6 points). In contrast, the 'R&D&I' attribute, which embodies how the Spanish firms perceive the level of integration of AI in their organisations and the level of public support available for pursuing research, development and innovation activities, was the poorest-ranked in this year's report (2.7 points).

• **'Inflation' was flagged by one in every two Spanish firms with a presence in the UK as the factor most likely to impact their businesses in the short term.** Over half of the firms polled (56%) identified a potential increase in 'operating costs' as their biggest challenge over the next 12 months. More than a quarter of the organisations signalled 'taxation' and the 'labour market' as the areas of economic policy where government action could end up having a bigger impact on their businesses.

• **More than 60% of the companies surveyed expect the revenue they generate in the UK to increase in 2025 and 45% have plans to step up their investments in the country this year.** Many of these investments will be located in London and its metropolitan area (as reported by 55% of the respondents). In parallel, a large majority of the organisations surveyed (89% of the total) informed us that they expect to either keep their UK headcounts stable (51%) or to make additional hires (37%).

• **The main rationale for investment for half of the Spanish firms that are carrying out new investments in the UK in 2025 is to boost productivity.** The largest number of firms intend to achieve that goal primarily by 'implementing new digital technologies' (49% of the total), followed by those that will do so via 'hiring' (38%) and 'training' (33%).

• **In the current political and economic climate, 90% of the Spanish companies with investments in the UK view the British market as strategic.** Roughly 75% of the firms surveyed said they have no plans to exit the market in the next five years, while another 15% rate the possibility of abandoning the UK as "improbable", underlining the strength of the Spanish business ecosystem's commitment to the British market.



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PART I

SPANISH INVESTMENT IN THE UK

1. MACROECONOMIC ENVIRONMENT IN THE UK AND SPAIN: ECONOMIC RESILIENCE IN THE MIDST OF HEIGHTENED GLOBAL UNCERTAINTY

The start of 2025 was marked by an unprecedented increase in uncertainty on the political and trade fronts, shaped by US economic policy, which weighed heavily on the outlook for global economic growth. Nevertheless, both the UK and Spanish economies went on to post stronger than anticipated performances. Within the Eurozone, Spain has been spearheading growth, exceeding the expectations in place at the start of the year, posting annual growth of 3.4% in the first half. In parallel, the trade agreement reached between the UK and US mitigated uncertainty, paving the way for year-on-year growth in the British economy of 1.4% in 2Q25. For the rest of 2025 and 2026, Trump's protectionist stance and uncertainty look set to remain the main challenges facing the economy in general and global investment flows in particular, while UK-specific challenges, chiefly fiscal consolidation, linger.

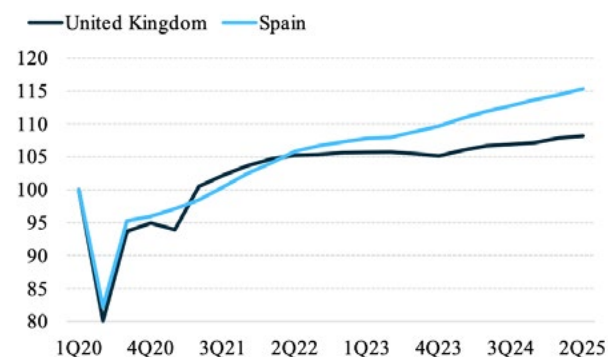
2025 is proving a year conditioned by an increase in political and trade uncertainty. The new US administration has lifted the country's import tariffs to levels not seen since the start of the 21st century, in turn driving global tariffs higher. On the geopolitical front, risks have remained contained. However, the prolongation of the war between Ukraine and Russia, coupled with US demands of the EU, have prompted the bloc into action, in the form of ambitious plans for increasing defence spending and investment in infrastructure.

Against this backdrop, growth in the UK slowed gradually over the first half of 2025, albeit by less than was anticipated at the start of the year. In the first six months of the year, the British economy registered year-on-year growth of 1.6%, underpinned by private consumption and the export sector, in turn fuelled by the front-loading of imports by the US in 1Q25 in order to side-step the increase in tariffs. However, the job market has lost momentum and the unemployment rate has risen as a result of decreasing vacancies. In turn, higher labour costs and import prices have fed into inflation, which remains above the Bank of England's target. As a result, the British monetary authority has been taking a more cautious stance towards monetary easing than other central banks. Current forecasts point to slowing growth, with customer confidence remaining muted and business expectations still too dim to stimulate a more substantial increase in economic activity.

The Spanish economy, meanwhile, has been very solid all year long, registering annual average growth of 3.6% in the first half of the year, continuing to spearhead growth among the main Eurozone economies. Domestic demand continues to stand out as the key growth engine. The let-up in inflation and attendant recovery in real earnings, as well as ongoing strong migratory flows, have been the main drivers of the recovery in private consumption. Investment, meanwhile, is growing at high rates.

REAL GDP GROWTH IN THE UK AND SPAIN

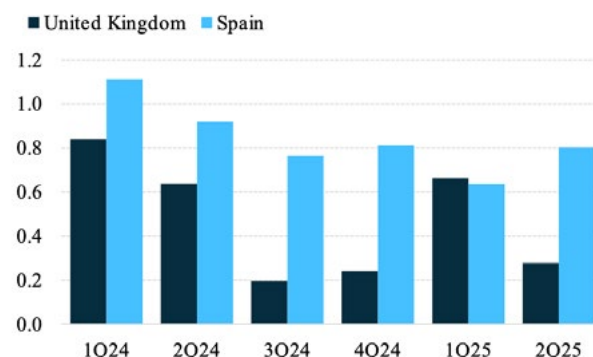
(Rebased to 100 = 1Q20)



Source: Afi and Eurostat

REAL GDP GROWTH IN THE UK AND SPAIN

(Quarterly %)



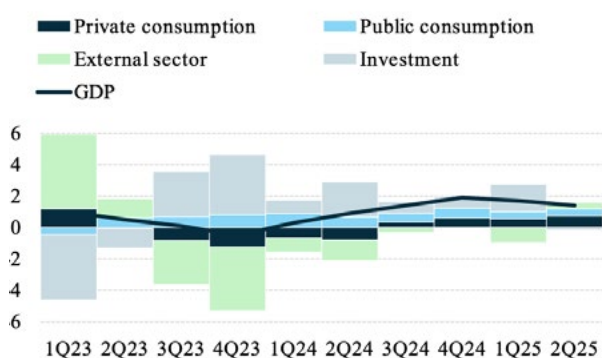
Source: Afi and Eurostat

In the UK, household consumption, public expenditure and the export sector drove economic activity throughout the first half of 2025. Although the second-quarter performance revealed a slowdown in private consumption in particular and economic activity in general, the economy lost less momentum than was initially expected, exhibiting resilience in the face of heightened global uncertainty. Real GDP registered quarterly growth of 0.3% in 2Q25, beating the Bank of England's forecast for quarterly growth of 0.1%. Private consumption increased by 1.1% year-on-year, while exports recorded year-on-year growth of close to 4% in 2Q25. Investment, meanwhile, rebounded in the first half of the year, underpinned by the construction sector and investment in machinery and capital goods. However, business confidence readings continue to foreshadow a slowdown in activity, particularly in the industrial sector, despite the trade deal reached with the US, establishing a tariff of 10% on British goods, in exchange for tariff exemptions and eliminations on certain US goods, particularly food products.

In Spain, on the other hand, the let-up in inflation, resilient labour market, laxer monetary policy and intense migratory flows were the key factors behind the recovery in private consumption, further helped by somewhat more dynamic public expenditure. Investment has remained strong throughout much of the year, thanks to investment in capital goods and a stable construction sector. Spanish trade made a net positive contribution to GDP growth in the first half of the year, albeit more modest than in other European economies, due to lower export exposure to the US. Tourism, meanwhile, remained strong, improving on previous years and making a significant contribution to growth, although that contribution is likely to ease in the coming months.

GDP GROWTH IN THE UK

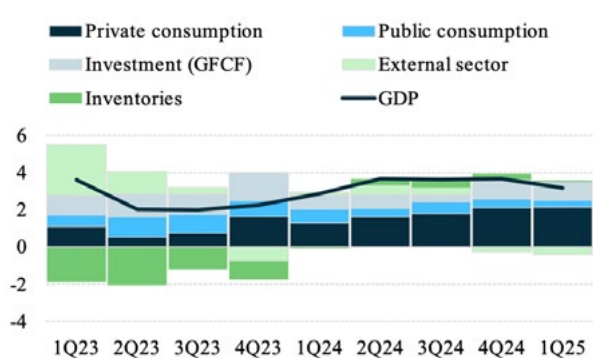
(% YoY, components)



Source: Afi and ONS

GDP GROWTH IN SPAIN

(% YoY, components)



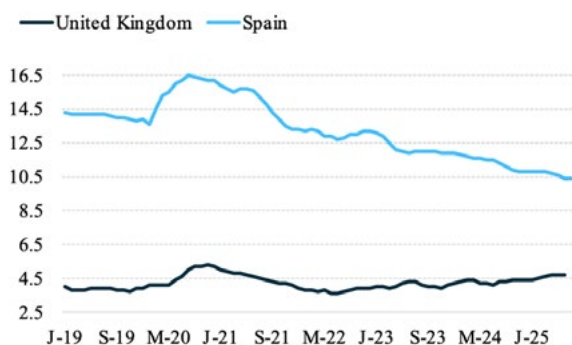
Source: Afi and INE

In the UK, the labour market softened with a reduction in vacancies which put the unemployment-to-vacancy ratio back at pre-pandemic levels. Against this backdrop, the unemployment rate has gradually increased from 4.2% at the start of 2024 to 4.7% by June 2025. Employment continues to grow at an annual pace of 2%, thanks to the recovery in private sector employment in the first half of the year, which ended the period with 28.1 million people in work, despite heightened business uncertainty and the increased tariffs introduced by the Trump administration.

The Spanish labour market also remains remarkably dynamic so far in 2025, marked by healthy rates of job creation and contained unemployment (slightly below its structural level but still high compared to other European countries). The unemployment rate in Spain has gradually dropped from 12.3% at the start of 2024 to 10.3% as of June 2025. Job creation actually accelerated in the second quarter, due partially to the growth in foreign and dual nationality worker participation. As a result, employment increased at an annual rate of over 2.5% in the first half of 2025, with the number of people in work consolidating at over 22.3 million.

UNEMPLOYMENT RATE IN THE UK AND SPAIN

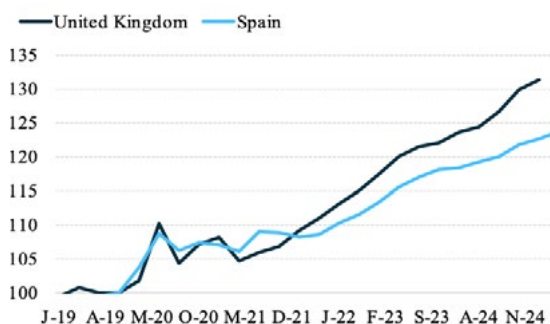
(% of labour force)



Source: Afi and OECD

LABOUR COSTS IN THE UK AND SPAIN

(Rebased to 100 = 4Q19)



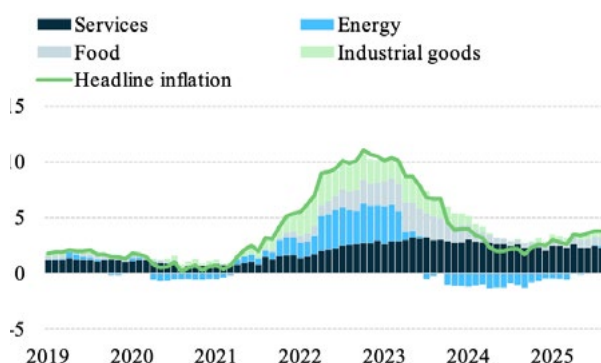
Source: Afi and Eurostat.

Inflation in the UK has been climbing steadily higher from the lows of 2024, reaching an annual rate of 3.8% in August of this year. This uptick, which was expected, is largely attributable to growth in prices in the more volatile components, particularly food and energy, but also services, where prices are still increasing at nearly 5% year-on-year. Higher minimum wages and national insurance contributions, and increases in certain regulated prices, like water, have helped shape the persistent inflation. In this context, the Bank of England has continued to ease its monetary policy, lowering its benchmark rate to 4% in August, for a cumulative cut of 125 basis points since June 2024, albeit taking a cautious stance in light of stubborn inflation.

In Spain, inflation continued to trend lower throughout the first half of the year, momentarily dipping below 2%. However, the third-quarter 2025 statistics have confirmed a re-acceleration to 2.9% year-on-year, fuelled by the energy component, which registered year-on-year growth of 3.4% in August, and inflation in services, where prices continue to increase by more than 3% year-on-year. Nevertheless, current forecasts are unchanged, with inflation considered very likely to drop to below 2% before the end of 2025, compared to 6% in 2023. Against this backdrop, the European Central Bank says it has completed its monetary easing, having lowered its deposit facility rate by 200 basis points to 2% by June, a level where it is expected to remain for the next 12 months.

INFLATION IN THE UK BY COMPONENT

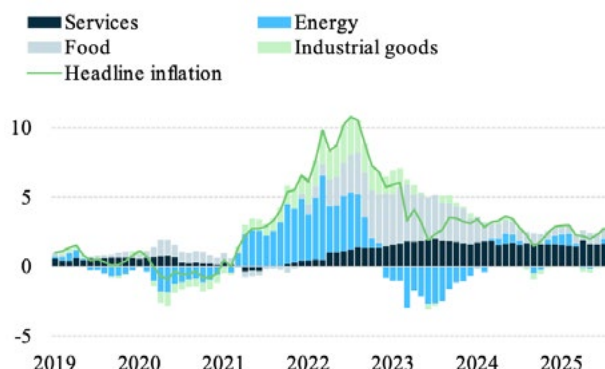
(YoY %)



Source: Afi and ONS

INFLATION IN SPAIN BY COMPONENT

(YoY %)



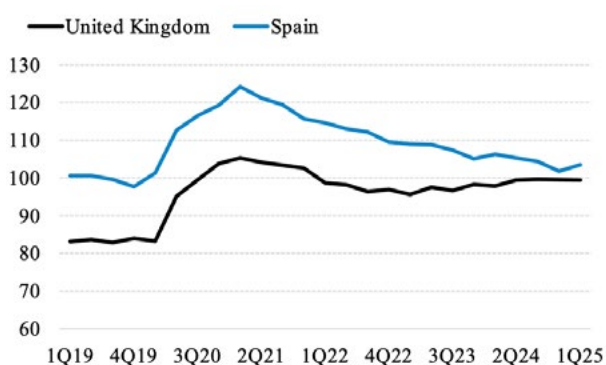
Source: Afi and INE

On the fiscal front, the British government failed to reduce its deficit in 2024, which remained at 6% of GDP. The government has committed to introducing reforms in order to restore public financial health (improving state efficiency, cutting red tape and reorienting social spending), while increasing expenditure on infrastructure, affordable housing and defence (towards 3% of GDP in 2027). In this manner, public debt would stabilise at current levels, of close to 100% of GDP.

Strong growth and firm fiscal discipline put Spanish public debt at 101.8% of GDP in 2024, down four percentage points from the 105.2% observed in 2023. Spain continues to present the fifth-highest public debt ratio among the 27 EU member states, behind only Greece (152.5% in 1Q25), Italy (137.9%), France (114.1%) and Belgium (106.8%). Unlike the UK, the spread between Spanish and German 10-year sovereign bonds has narrowed in 2025 and is currently stable at around 3%.

PUBLIC DEBT IN THE UK AND SPAIN

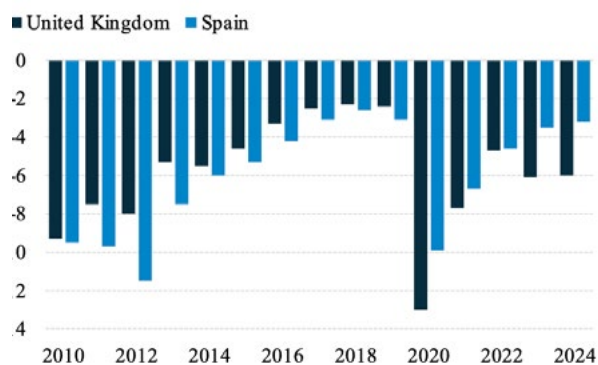
(% of GDP)



Source: Afi, Eurostat and ONS

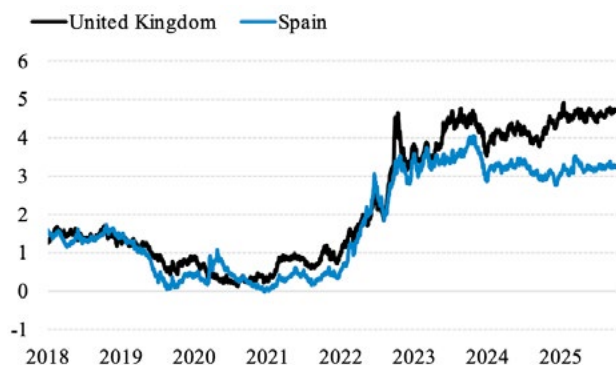
PUBLIC DEFICIT IN THE UK AND SPAIN

(% of GDP)



Source: Afi, Eurostat and ONS

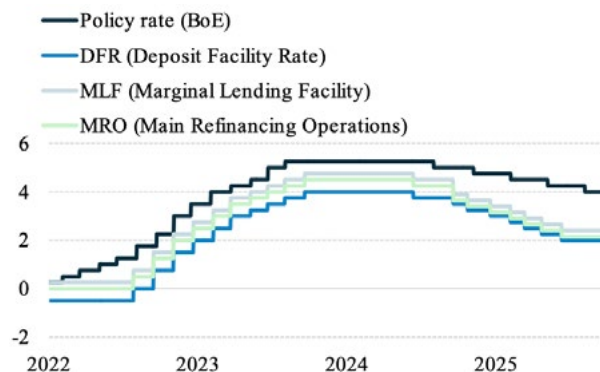
10Y SOVEREIGN BOND YIELDS IN THE UK AND SPAIN (%)



Source: Afi, Bank of England, Bank of Spain and Macrobond

OFFICIAL INTEREST RATES: BANK OF ENGLAND AND EUROPEAN CENTRAL BANK

(Percentage points)



Source: Afi, Bank of England, ECB and Eurostat

We expect the British economy to continue to eke out moderate growth for the rest of this year and 2026. Domestic demand is expected to remain, with labour market normalisation (with pay rising at more contained rates) and a gradual reduction in the household savings rate propping up private consumption. However, uncertainty around global and domestic growth prospects remains significant, weighing on business sentiment and corporate investment decision-making. As a result, real GDP is forecast to grow at an annual rate of close to 1.2% in both 2025 and 2026.

In Spain, the economy is expected to grow by 2.9% in 2025, underpinned by domestic demand, which will remain the key economic driver. More favourable financing conditions and the recovery in household purchasing power, not to mention positive migratory flows, point to solid growth in private consumption. This should offset reduced momentum in investment, particularly in capital goods. Service exports are expected to remain dynamic, albeit mitigated by growth in imports. In 2026, Spanish economic growth is expected to drop back to 2.2%.

The economic outlook for the year ahead is clouded by certain risks, particularly heightened trade protectionism under the Trump administration, the slowdown in global trade and ongoing international geopolitical tensions (Ukraine-Russia and the Middle East). These developments are a source of considerable political and economic uncertainty, as well as constituting an inflationary risk.

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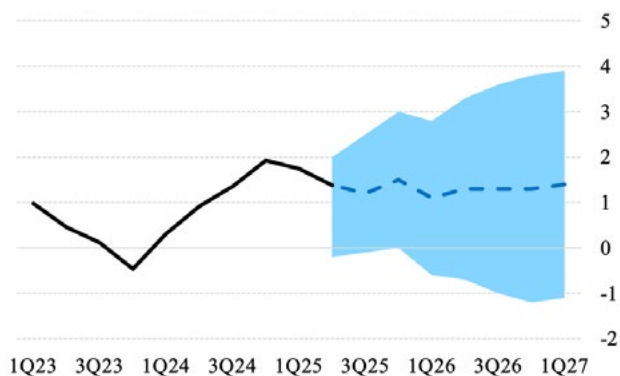
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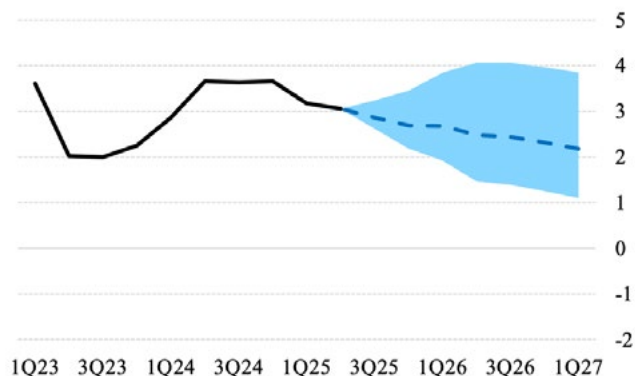
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BANK OF ENGLAND FORECASTS FOR GDP GROWTH IN THE UK (YoY %)



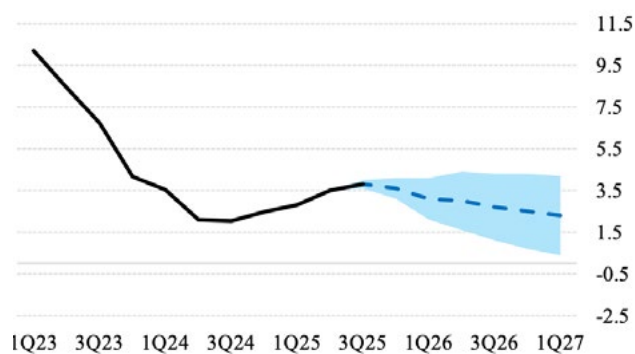
Source: Afi and Bank of England

AFI FORECASTS FOR GDP GROWTH IN SPAIN (YoY %)



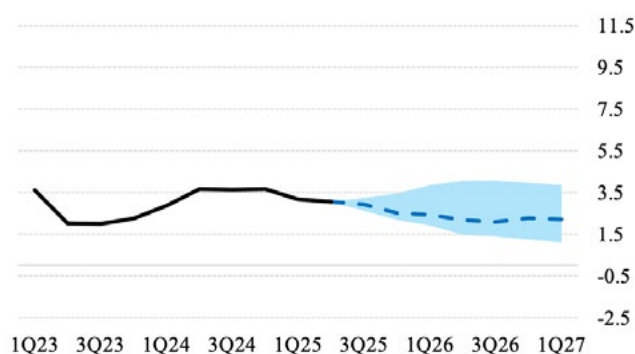
Source: Afi and Macrobond

BANK OF ENGLAND FORECASTS FOR INFLATION IN THE UK (%)



Source: Afi and Bank of England

AFI FORECASTS FOR INFLATION IN SPAIN (%)



Source: Afi and Macrobond

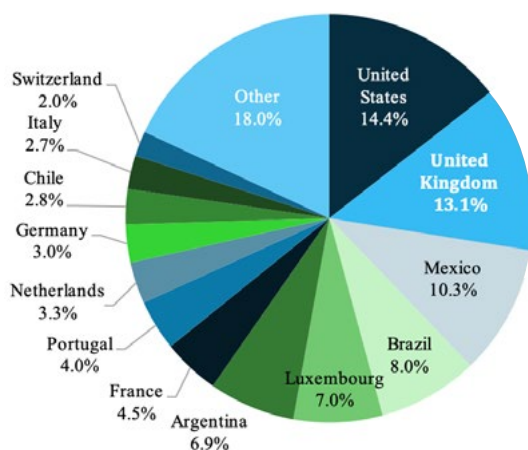
2. STOCK OF SPANISH FDI IN THE UK

According to the data published by the Secretary of State for Commerce, the stock of Spanish foreign direct investment (FDI) in the UK amounted to €83.0 billion in 2023, marking a contraction of 9.5% from the 2022 figure (€91.7 billion). Nevertheless, the stock of Spanish investment in the UK was the second-highest on record (the series dates back to 2007). In relative terms, however, the contraction of 2023 and growth in Spanish investment in other countries had the effect of reducing the UK's share of the total stock from 15.7% in 2022 to 13.1% in 2023.

In 2023, the overall stock of Spanish FDI continued to increase, specifically by 8.7% from the year before (compared to growth of 9.2% in 2022) to €634.97 billion (excluding transactions channelled through foreign security holding companies, hereinafter "ETVEs"¹ for their acronym in Spanish). Following a robust recovery in the wake of the global pandemic, notching up growth of 50% between 2021 and 2022, the stock of Spanish FDI in the UK decreased by 9.5% in 2023 to €83.0 billion (using the Spanish criteria²).

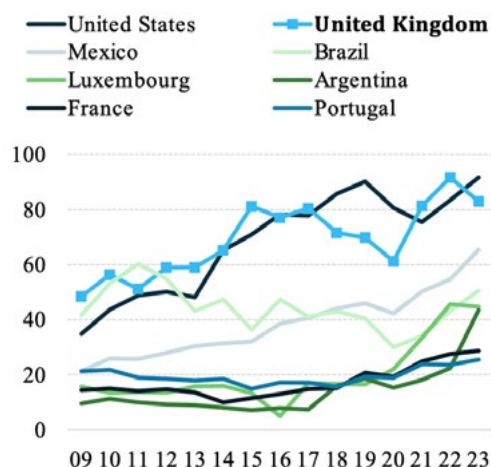
The UK has long been one of the main recipients of Spanish investment overseas. In terms of its share of the total pie, the stock of Spanish FDI in the UK peaked in 2015, at 18.1% of all Spanish FDI. In 2023, a reduction in Spanish FDI in the UK, coupled with increased Spanish investment in other markets (including the US, Mexico and Brazil), had the effect of reducing the UK's share of total Spanish FDI from 15.7% in 2022 to 13.1% in 2023 (below the historical average of 14.7%). In this respect, the UK is second only to the US, which in 2023 remained the largest beneficiary of Spanish FDI, commanding a share of 14.4%.

STOCK OF SPANISH FDI AS OF 2023 BY DESTINATION COUNTRY (% of the total)



Source: Afi and Secretary of State for Commerce

LONG-TERM TREND IN THE STOCK OF SPANISH FDI BY DESTINATION COUNTRY (€ billion)



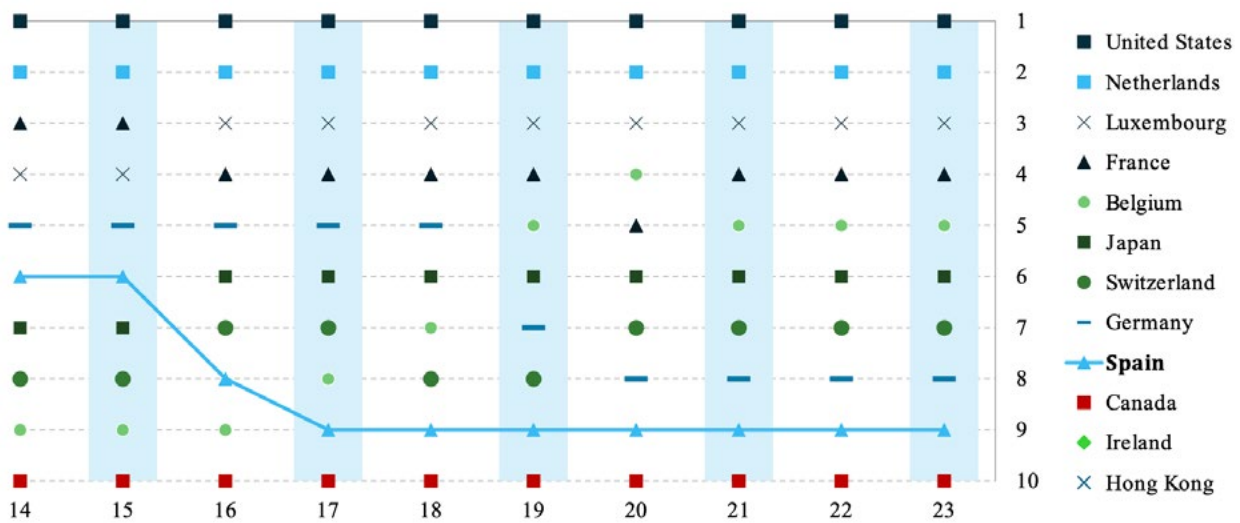
Source: Afi and Secretary of State for Commerce

¹ ETVEs are corporations set up in Spain whose "main" objective is to hold shares in companies located abroad. They are special-purpose vehicles incorporated within corporate groups for tax optimisation strategy purposes and in many instances their investments do not have direct economic effects.

² Ultimate investing country: country of residence of the ultimate owner of the investment, i.e., where the ownership chain ends.

According to the data published by the UK Office for National Statistics (ONS), since 2017, Spain has ranked ninth among the biggest direct investors in the UK. The stock of British FDI in Spain amounted to 16.16 billion pounds sterling in 2023 (the last year for which the British statistics office has this information). The biggest investors in the UK are the US, which has been the leading investor for years, with a stock equivalent to 692.90 billion pounds in 2023, followed, at a considerable distance, by Luxembourg (at 185.57 billion pounds) and the Netherlands (183.04 billion pounds). According to the ONS statistics, the stock of Spanish FDI in the UK has been declining since 2019, dropping from 50.22 billion pounds in 2018 (peak) to 16.16 billion pounds in 2023³.

SOURCE OF TOTAL STOCK OF FDI (2014-2023) IN THE UK BY COUNTRY
(Ranking)



Source: Afi and ONS

³ The discrepancy with respect to the figure provided by the Spanish Secretary of State for Commerce (€91.7 billion in 2023) derives mainly from differences in methodologies, coverage and geographic attribution criteria. The Spanish Secretary of State reports FDI by the ultimate destination country and on the basis of parent company residency, whereas the ONS registers investments using the immediate source country or direct establishment in the UK, without considering intermediate structures (such as holding companies or subsidiaries in third countries). Other factors include the conversion of currencies, different data collection frequencies and the use of different sources (company registers vs. company surveys), which can generate substantial discrepancies in the reported figures.

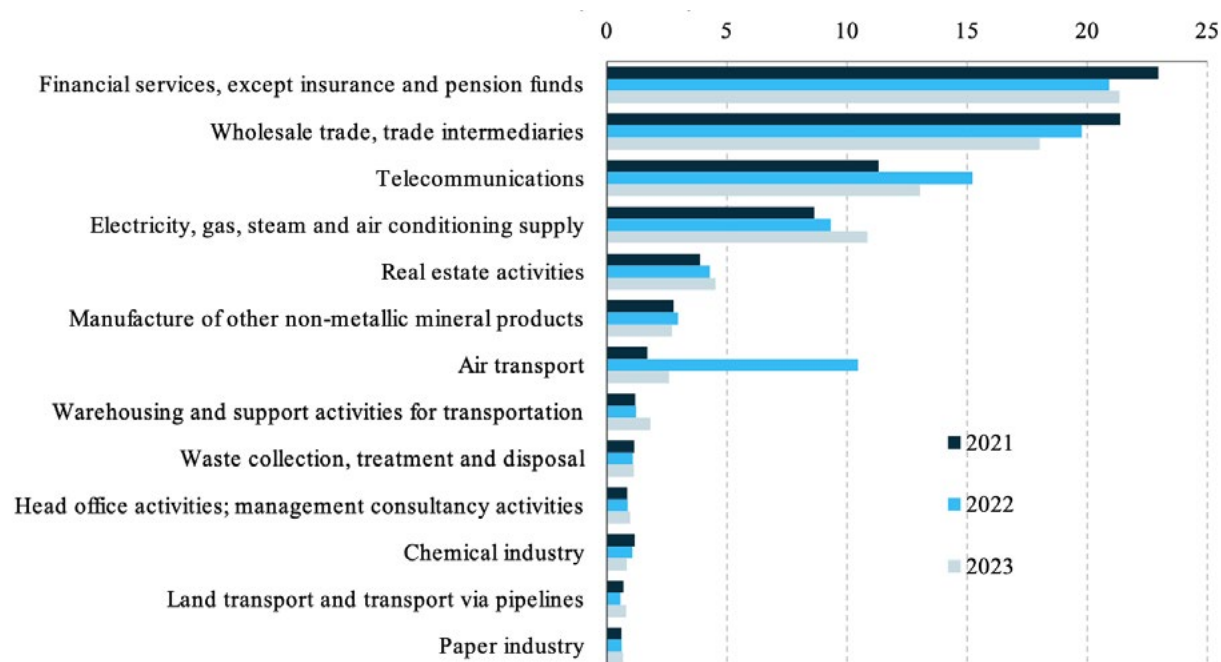
3. STOCK OF SPANISH FDI IN THE UK BY SECTOR

Spanish investment has historically been concentrated in the *Financial services* and *Telecommunications* sectors, which between them account for 55.3% of the total stock of Spanish FDI in the UK since records began in 2007. In 2023, *Financial services* was the sector of the British economy to have received the most Spanish investment, accounting for 25.7% of the total stock (€21.34 billion), followed by the *Wholesale trade*, at 21.7% of the total (€18.02 billion). In terms of the importance of certain sectors of the UK market for Spanish FDI, it is worth noting that the *British Air transport* sector accounts for 96.2% of all Spanish overseas investment in that sector.

Historically, Spanish FDI in the UK has been concentrated in the *Financial services* (other than insurance and pension funds) and *Telecommunications* sectors, which have received 29.5% and 25.7% of all Spanish FDI, respectively, since the Secretary of State for Commerce began keeping records (2007). In 2023, *Financial services* once again topped the ranking of the sectors benefitting the most from Spanish investment, recovering somewhat from the contraction sustained in 2022, increasing its stock by 2% in 2023 to €21.34 billion. In second place, lies the *Wholesale trade*, with a stock of €18.02 billion, which marks an annual contraction of 8.9%, due mainly to a reduction of €2.90 billion in the *Electronic and telecommunications equipment* subsector. In parallel, the stock of Spanish FDI in the *Telecommunications* sector decreased by 14.3%, to €13.04 billion, shaped mainly by the *Wireless telecommunications* subsector, where Spain's investment position decreased by €1.86 billion (out of the overall sector position decrease of €2.18 billion). On the other hand, the sustained growth in investment in *Electricity, gas, steam and air conditioning supply* stands out, with the stock of Spanish FDI increasing by 16.3% in 2023 to €10.85 billion (of which: €10.15 billion in *Electricity generation and supply*).

STOCK OF SPANISH FDI IN THE UK BY SECTOR, 2021, 2022 AND 2023

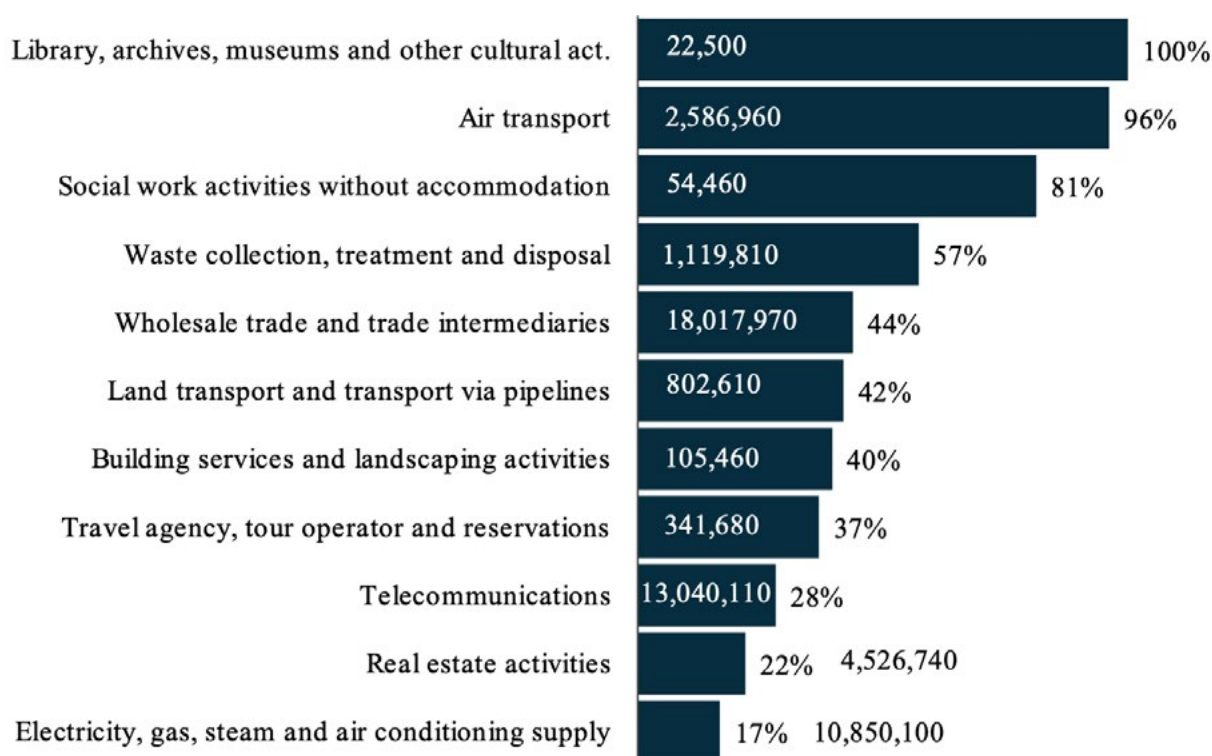
(€ billion)



Source: Afi and Secretary of State for Commerce

In an analysis of the importance of the UK as a recipient of direct Spanish investment, certain sectors jump out, most notably *libraries, archives, museums and other cultural activities*, which had collected 100% of all Spanish foreign investment in this sector as of 2023 (€22.5 million). In second place and with a more significant investment volume (€2.59 billion in 2023) lies *Air transport*, in which Britain is home to 96.2% of Spanish investment overseas, specifically *Passenger air transport*. As for other sectors with relatively high shares of Spanish FDI, the UK accounts for 43.9% of all Spanish investment in the *Wholesale trade*, primarily in the *Wholesale of pharmaceutical goods* and *Wholesale of electronic and telecommunications equipment and parts* subsectors, which between them represented 85% of investments in 2023. Lastly, the UK is home to 28.2% of the stock of Spanish FDI in *Telecommunications* (of which 70% has gone into *Wired telecommunications*) and 16.8% of the stock of Spanish FDI in *Electricity, gas, steam and air-conditioning supply* (of which 94% corresponds to the *Distribution of electricity*).

SPANISH FDI IN THE UK BY KEY SECTOR: PERCENTAGE OF TOTAL SPANISH FDI IN THE VARIOUS SECTORS AND ABSOLUTE INVESTMENTS AS OF YEAR-END 2023 (% | € k)



Source: Afi and Secretary of State for Commerce

4. FLOWS OF SPANISH FDI TO THE UK

Since the start of the historical series in 1993, the UK has attracted €170.94 billion of Spanish FDI flows (gross), cementing its position as the top long-standing destination for productive investment. Flows of Spanish FDI to the UK showed signs of recovery in 2024, reaching €4.88 billion, making it the number-two destination for Spanish investment that year. Flows slowed, however, in the first half of 2025, to €331 million. According to the ONS, Spain ranked tenth among the countries by volume of investment flows to the UK, accumulating 10.45 billion pounds between 2014 and 2023.

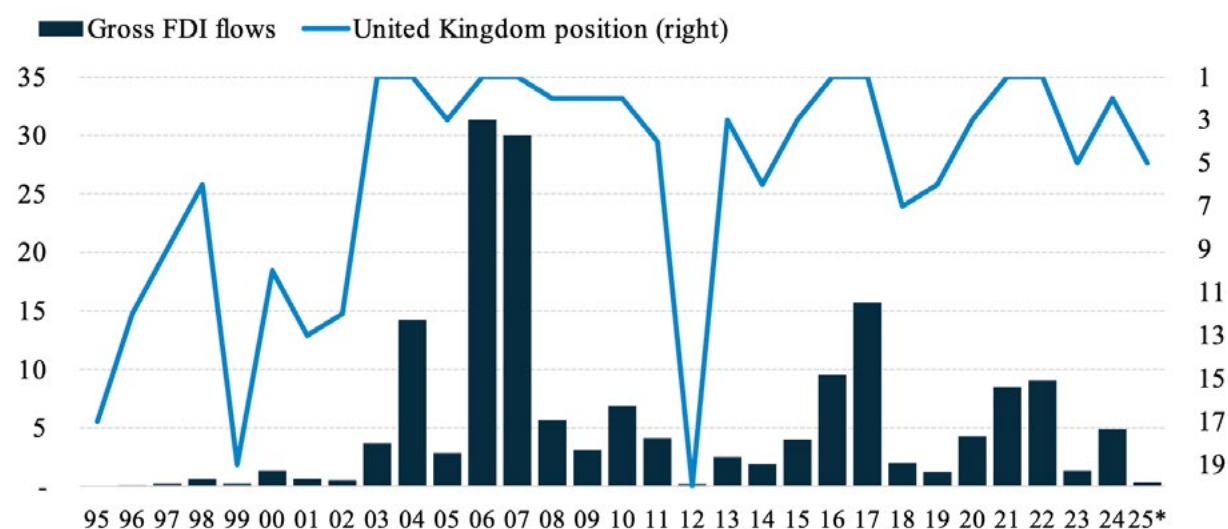
During the period for which the Secretary of State for Commerce has been tracking these figures (1993 – 1H25), the UK has received a total of €170.94 billion of Spanish FDI (gross investment using the immediate investing country criterion, excluding ETVEs). Following a contraction of 85% in flows in 2023, Spanish productive investment recovered in 2024, increasing by a factor of 2.5 times to €4.88 billion, driven by the resumption of projects in infrastructure, energy and technology services.

However, flows in the first half of 2025 dropped by 90% year-on-year to €331 million in a context of heightened economic and geopolitical uncertainty in the wake of the trade war induced by the US, as well as lower growth expectations.

According to the Secretary of State for Commerce, between 1993 and the first half of 2025, the UK attracted a cumulative 17.6% of total outward FDI from Spain. As a result, since 2020, the UK has remained among the five economies receiving the highest volumes of annual Spanish investment flows.

FLOWS OF SPANISH FDI TO THE UK AND RANKING AS RECIPIENT

(€ billion | ranking among recipients of Spanish FDI flows)

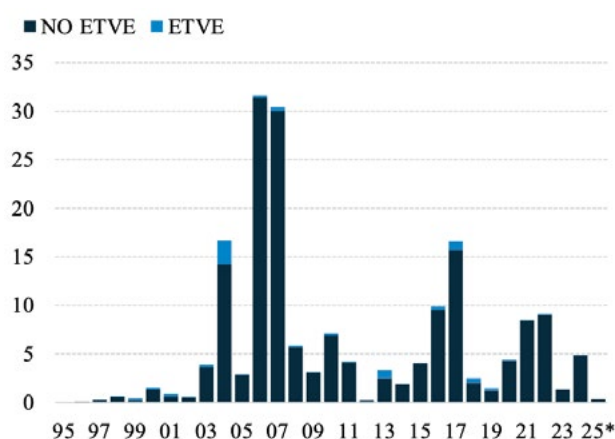


Source: Afi and Secretary of State for Commerce

Spanish investment in the UK is markedly productive in nature, as evidenced by the fact that the majority is not channelled through ETVEs, i.e., investments arranged to hold interests in operating companies located abroad rather than to benefit from any special tax regime. Between 1993 and the first half of 2025, 95.7% of Spanish FDI flows to the UK have been productive using this criterion (i.e., not through ETVEs), a percentage that has been tracking above 99% in annual terms since 2021.

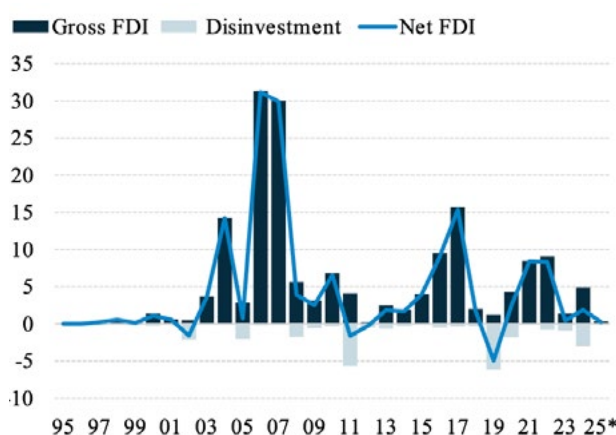
Until now, our analysis has centred on gross direct investment flows. However, the Secretary of State for Commerce also publishes net investment figures which make it possible to identify episodes of disinvestment. In the past, and specifically in relation to the UK, these episodes have been concentrated in specific years – 2002, 2005, 2008, 2011, 2019 and 2024 – with those years accounting for 72% of total disposals, while the outflows in the rest of the period have been moderate (€297 million on average, excluding the above-mentioned years). In 2024, net investment flows amounted to €1.88 billion, implying disposals of close to €3 billion, of which €2.66 billion came in the *Manufacture of non-metallic mineral products* sector. In the first half of 2025, net flows amounted to €251 million, implying disposals of €80 million, concentrated in the *Energy supply* sector (€67 million of disposals).

FLows OF SPANISH FDI TO THE UK: ETVE VS. NON-ETVE (€ billion)



Source: Afi and Secretary of State for Commerce
* Up until the first half of 2025

FLows OF SPANISH FDI TO THE UK, GROSS AND NET (€ billion)

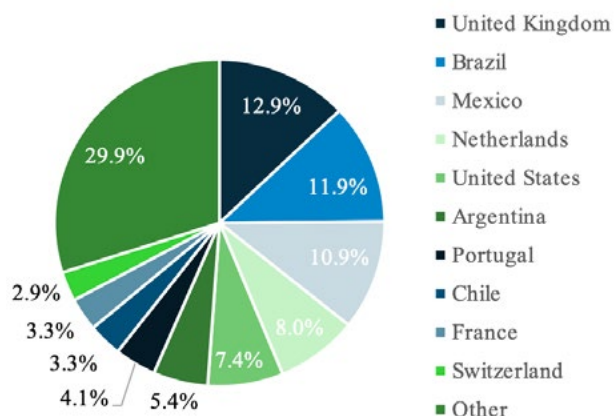


Source: Afi and Secretary of State for Commerce
* Up until the first half of 2025

Since 2008, the Secretary of State for Commerce has also been publishing statistics on the reinvestment of profits by the Spanish companies operating abroad. Between 2008 and 2024, the UK has clearly emerged as the main destination for these reinvestments, garnering €69.33 billion, which is equivalent to 12.9% of the total. The next biggest beneficiary is Brazil, at €63.95 billion, implying a share of 11.9%. In 2024, the Spanish companies reinvested €3.97 billion, which is virtually twice the 2023 figure (€2.01 billion). This uptick marks the highest reading since 2016 and reflects not only a recovery in investing activity but also the Spanish companies' confidence in their UK operations.

CUMULATIVE REINVESTMENT OF PROFITS BY SPANISH COMPANIES OPERATING IN THE UK, 2008-2024

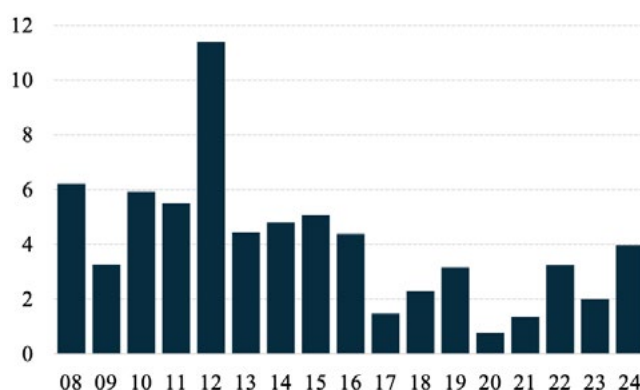
(% of total)



Source: Afi and Secretary of State for Commerce

ANNUAL REINVESTMENT OF PROFITS BY SPANISH COMPANIES OPERATING IN THE UK, 2008-2024

(€ billion)



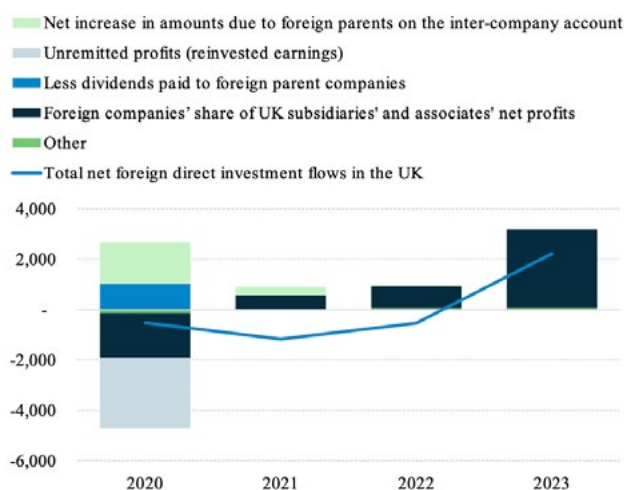
Source: Afi and Secretary of State for Commerce

The ONS provides data for annual direct foreign investment flows to the UK by investor country for 2014-2023, disaggregated by investment type for 2020-2023. In the case of Spain, the largest flow of investment to the UK corresponds to the Spanish companies' share of the net profits of their British subsidiaries, with reinvested earnings playing a less relevant role.

According to the ONS data, Spain ranks tenth among the countries to have invested the highest volume of FDI in the UK on a cumulative basis over the last 10 years (10.45 billion pounds), behind Belgium (10.66 billion pounds), Singapore (17.71 billion pounds) and Canada (23.1 billion pounds).

FLOWS OF SPANISH FDI TO THE UK BY TYPE OF INVESTMENT

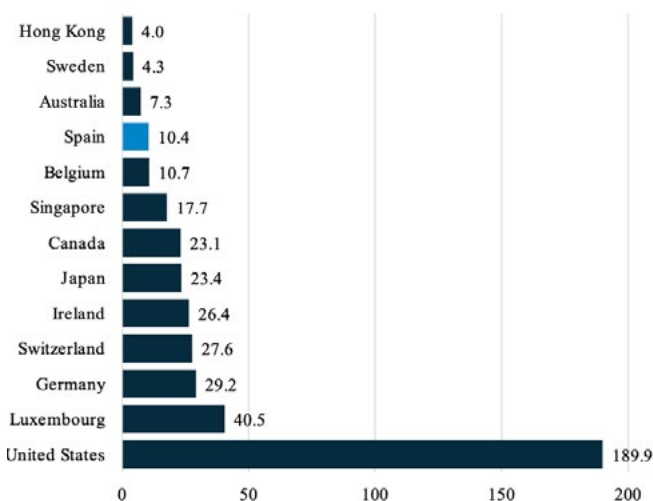
(2020-2023) (millions of pounds)



Source: Afi and ONS

CUMULATIVE NET FLOWS OF FDI TO THE UK BY INVESTOR COUNTRY

(2014-2023) (€ million)



Source: Afi and ONS

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5. FLOWS OF SPANISH FDI TO THE UK BY SECTOR

In recent years, Spanish investment in the UK has been characterised by large *ad-hoc* flows concentrated in specific sectors, coupled with smaller, irregular investment flows to the rest of the economy. Four sectors account for 74.2% of total Spanish FDI flows since 1993, namely *Telecommunications* (29.2% of the total), followed by *Financial services* (16.5%), *Manufacture of non-metallic mineral products* (14.6%) and *Energy supply* (14%). In 2024, Spanish investment flows totalled €4.88 billion with the large majority concentrated in the *Telecommunications* sector, which received 60.5% of the total annual flow, followed by *Manufacture of chemicals*, collecting 13%. In the first half of 2025, 73.3% of the €331 million invested by Spanish companies in the UK went to the *Energy supply* sector.

During the period covered by the Secretary of State for Commerce (1993 - 1H25), flows of Spanish FDI to the UK totalled €170.94 billion and were channelled to multiple sectors of the British economy. The main recipient sectors, ranked by historical investment volumes, have been *Telecommunications* (29.2% of the total), *Financial services* (16.5%), *Manufacture of non-metallic mineral products* (14.6%) and *Energy supply* (14%). The sector breakdown varies significantly from one year to the next, influenced by significant one-off transactions that modify the weight of each activity. In 2024, the *Telecommunications* sector accounted for 60.5% of total flows that year (€2.95 billion), followed by *Manufacture of perfumes and toilet preparations*, with a share of 12.5% (€609 million), and *Support activities for transportation* (8.6%, €421 million). And in the first half of 2025, the *Energy supply* sector cornered 73.7% of all flows (€244 million), most of which in *Manufacture of gas* (€120 million) and *Production of electricity* (€124 million).

GROSS FLOWS OF SPANISH FDI TO THE UK BY YEAR AND SECTOR

(€ k)

Sector	2019	2020	2021	2022	2023	2024	1H25
Manufacture of other non-metallic mineral products	-	-	-	6,988,097	-	3,800	-
Telecommunications	145,194	1,642,925	7,384,424	601,849	255,377	2,952,070	40,616
Financial services, except insurance and pension funds	60,139	391,907	35,984	557,417	173,423	323,189	-
Chemical industry	335	802,844	231,194	228	3,514	633,185	-
Real estate activities	268,203	176,272	1,000	266,804	51,030	18,266	-
Electricity, gas, steam and air conditioning supply	96,543	357,025	124,366	43,790	305,011	229,100	244,547
Wholesale trade and trade intermediaries, except motor vehicle	71,975	315,431	435,558	173,584	224,626	84,864	2,093
Auxiliary activities for financial services	13,489	-	96	74,753	791	-	-
Warehousing and support activities for transportation	-	327,000	-	-	3,276	421,603	-
Food industry	282,387	36,973	142	657	24,072	13,752	3,018
Programming, consultancy and related activities	2,032	89,025	79,117	39,613	16,201	30,353	39,254
Accommodation services	64,142	-	-	-	193,032	-	-
Repair and installation of machinery and equipment	-	-	-	-	-	35,819	228
Land transport and transport via pipelines	1,958	786	-	192,328	-	-	-
Education	148,133	5,272	-	-	-	-	-
Remediation activities and other waste management services	50,178	53,626	-	-	-	-	-
Manufacture of pharmaceutical products	-	3,475	95,099	-	-	-	-
Air transport	-	-	-	-	-	98,094	-
Manufacture of other transport equipment	67	-	34,500	-	-	-	-
Manufacture of motor vehicles	-	31,701	-	40,063	-	-	-
Insurance, reinsurance and pension funds	2,500	-	-	-	21,103	-	-
Other	22,038	39,044	55,083	51,236	71,593	31,496	2,033

Source: Aafi and Secretary of State for Commerce

6. EFFECTS OF SPANISH FDI ON JOBS IN THE UK

Spanish investments contributed to the creation and maintenance of over 140,900 jobs in the UK in 2023, equivalent to 0.4% of total national employment.

The impact of Spanish FDI on the British job market as a whole is estimated at 140,920 full-time equivalent (FTE) jobs. This figure represents around 0.4% of total employment in the UK. To look at it another way, the jobs created by Spanish FDI are roughly equivalent to the population of the city of Blackpool (141,975 inhabitants).

The estimated contribution of Spanish FDI to employment in the UK is 6% bigger than that estimated in 2022 (132,800 jobs), despite the fact that Spain's investment position contracted by 9.4% that year to €83 billion. As a result, the growth observed in employment reflects a 'composition effect' derived (in terms of productivity) from the specific changes in the nature of Spanish investment in each sector of the British economy. Viewed differently, the jobs created and maintained by the flows of investment into the UK from Spain more than offset the loss of employment associated with the Spanish investment outflows.

Of the total estimated contribution to employment, 80,700 jobs are classified as 'direct' jobs, with the remaining 60,220 corresponding to 'indirect' jobs, i.e., jobs generated as a result of the knock-on effects of Spanish direct investment on other areas of activity of the British economy.

JOBS GENERATED BY SPANISH FDI IN THE UK, 2023

(No. of direct + indirect jobs)

140,920 employees in 2023
(0.4% of total employment)



**€83 billions of
direct investment**



Source: Afi based on Secretary of State for Commerce and ONS data
Note: Last year available.



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PART II

OUTLOOK FOR INVESTMENT IN THE UK

7. HOW SPANISH COMPANIES INVESTED IN THE UK VIEW THE BRITISH BUSINESS CLIMATE

Drawing on the feedback provided by the Spanish companies doing business in the UK about the various factors and characteristics influencing the business climate, this section delves into how these firms perceive the British market.

A total of 122 Spanish firms with a presence in the UK participated in the survey carried out between 17 July and 29 September 2025 for the purposes of this seventh edition of the “Barometer on the Climate and Outlook for Spanish Investment in the UK”.

OVERALL ASSESSMENT OF THE BUSINESS CLIMATE AND RECENT DEVELOPMENTS

The Spanish companies operating in the UK gave the overall business climate a score of 2.9 points out of 5 (similar to 2024, when the blended score came to 3 points). This means that 70% of the companies surveyed defined the climate as, at least, ‘acceptable’. However, the percentage of companies that reported perceiving a “deterioration” in the business climate has doubled since the last edition of the Barometer, to 47% of participants.

In this seventh edition of the “Barometer on the Climate and Outlook for Spanish Investment in the UK”, the Spanish companies with productive investments and operations in the country awarded the British business climate an overall score of 2.9 points (on a scale of 1 to 5).

That score is 0.1 points below the result of last year’s edition of the Barometer. The main reason for this slight dip in score is the 7pp reduction in the number of companies which rated the business climate in the UK as, at least, ‘acceptable’ (i.e., an overall score of 3 or more), to 67% of the total. Nevertheless, 23% of the companies participating (-3pp) currently define the climate as ‘good’, with 1% of the respondents (+0pp) describing it as ‘excellent’.

On the downside, the percentage of Spanish companies assessing the business climate as ‘poor’ increased by 4pp to account for 6% of the total, reflecting a degree of ‘dissatisfaction’ on the part of a minority of participants.

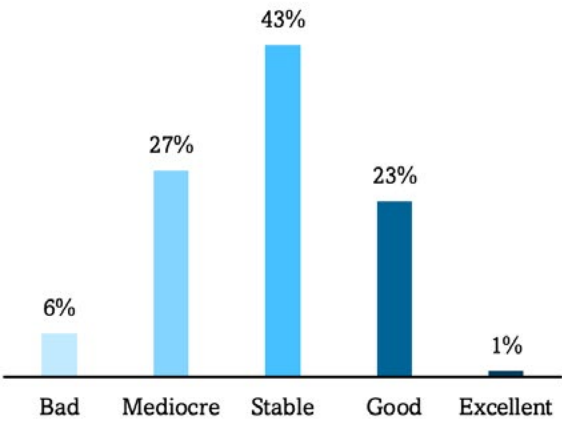
In a similar vein, a much larger share of companies reported that the business climate in the UK had deteriorated in the previous 12 months: 47% of participants, compared to 23% in last year’s edition of the Barometer (+24pp). Nevertheless, it should be noted that the percentage of companies reporting they had perceived an ‘improvement’ in the business climate in the previous 12 months was 11% of total, a figure very much in line with last year’s reading (12%). As a result, virtually all of the change observed in this year’s Barometer stems from the cohort of companies which last year described the business climate as “stable”, an opinion currently shared by 44% of the Spanish companies operating in the UK.

Regardless, the contrast observed between the general assessment and the recent trend in the perceived business climate should be viewed against the backdrop of the complexity of the situation facing the UK:

- In economic terms, GDP and employment have sustained 'moderate' growth over the past year. Moreover, inflation remains above the Bank of England's targets, forcing it to leave interest above 4%.
- In geopolitical terms, global trade relations have come under strain, while armed conflicts simmer on (Russia-Ukraine and Israel-Palestine).
- On the social front, a number of political controversies, the lack of room for fiscal manoeuvre and harsher migratory policies have shaped the public opinion of the new government, as can be gleaned from the results of the recent local elections.

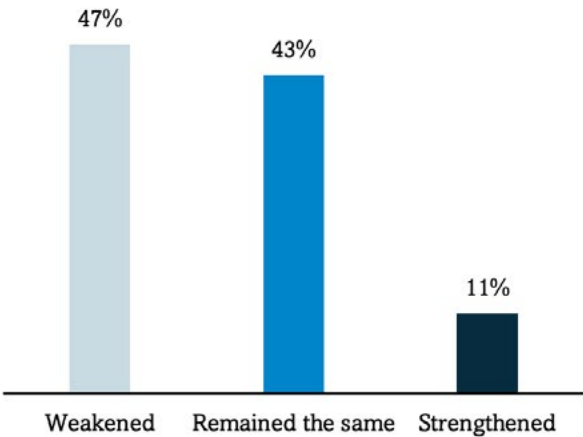
OVERALL ASSESSMENT OF THE BRITISH BUSINESS CLIMATE

(% of responses)



PERCEIVED CHANGE IN THE UK BUSINESS CLIMATE IN THE LAST 12 MONTHS

(% of responses)



Source: Afi, "2025 Survey of Spanish outward investment into the UK"

ASSESSMENT OF THE MAIN ASPECTS OF THE BUSINESS CLIMATE

The top-rated attribute of the British business climate was once again the existence of a favourable ecosystem for the implementation of digital processes, with a score of 3.6 (on a scale of 1 to 5). At the other end of the spectrum, support for R&D&I and the integration of AI solutions at the firm level emerged as the worst-rated attribute of the British business climate in the eyes of the Spanish companies operating there.

For the seventh year in a row, the ‘level of digitalisation’, at the level of both the British economy and the business ecosystem, emerged as the top-rated attribute of the business climate in the UK in the opinion of the Spanish companies invested there. This attribute obtained a score of 3.6 points (out of 5), which marks a slight decrease of 0.1 points from last year, albeit losing its leadership over the other attributes assessed.

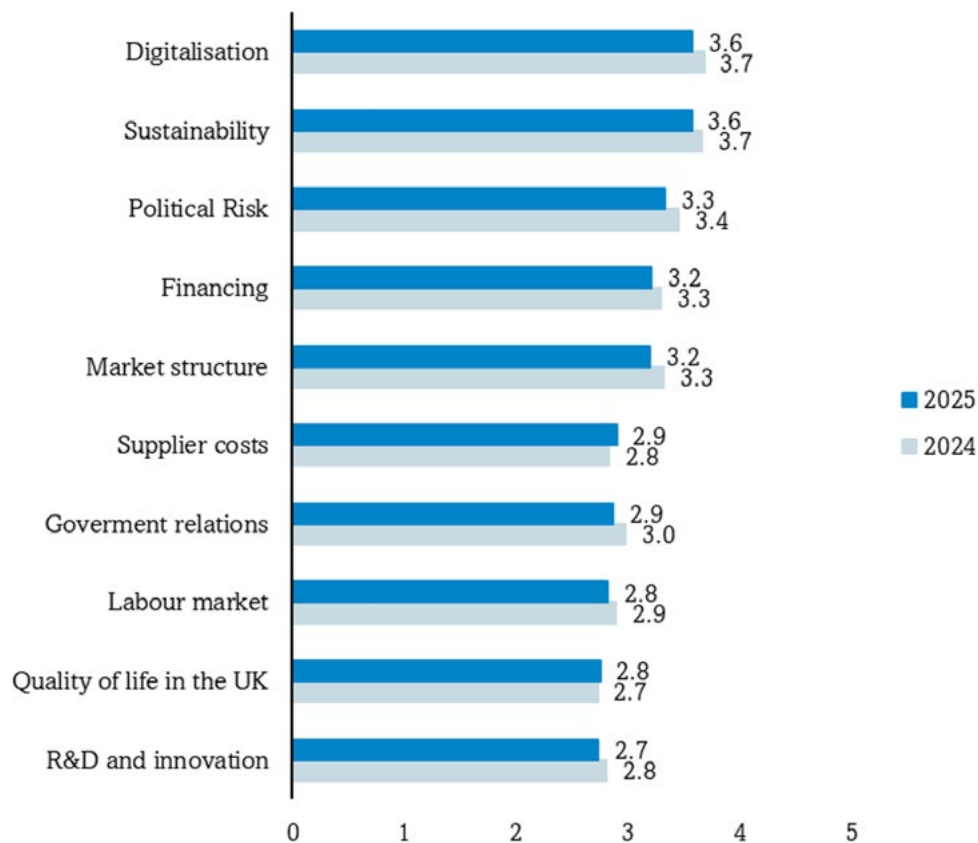
In parallel, ‘supplier costs’ (2.9 points out of 5) and ‘quality of life’ (2.8 points) registered the biggest improvements, with both attributes scoring 0.1 points more than in last year’s Barometer. As a result, ‘quality of life’ is no longer the worst-ranked aspect of the Barometer, building on an improvement in perception already evident last year. Disinflation is taking hold in the British economy and the more moderate increases in prices of late may be responsible for the improved performances in both these attributes.

In contrast, the R&D&I attribute, which includes the support lent by the government and integration of AI at the firm level as sub-categories, obtained a score of 2.7 points (on a scale of 1 to 5), making it the lowest-scoring attribute of the British business climate. Although the overall score obtained by this attribute only declined by 0.1 points year-on-year, the Spanish firms’ specific assessment of the “level of public support for R&D&I” decreased by 0.3 points, making it the worst-scoring sub-category of the British business climate.

More generally, eight of the 10 attributes of the business climate in the UK experienced a small correction of 0.1 points in the scores awarded by the Spanish firms operating in the country. However, it should be stressed that 50% of the attributes analysed earned average scores of more than 3 points, reflecting assessments of ‘acceptable’ or better.

ASSESSMENT OF THE BUSINESS CLIMATE IN THE UK BY ASPECT

(Scores based on % of responses, where 1 is *bad* and 5 is *excellent*)



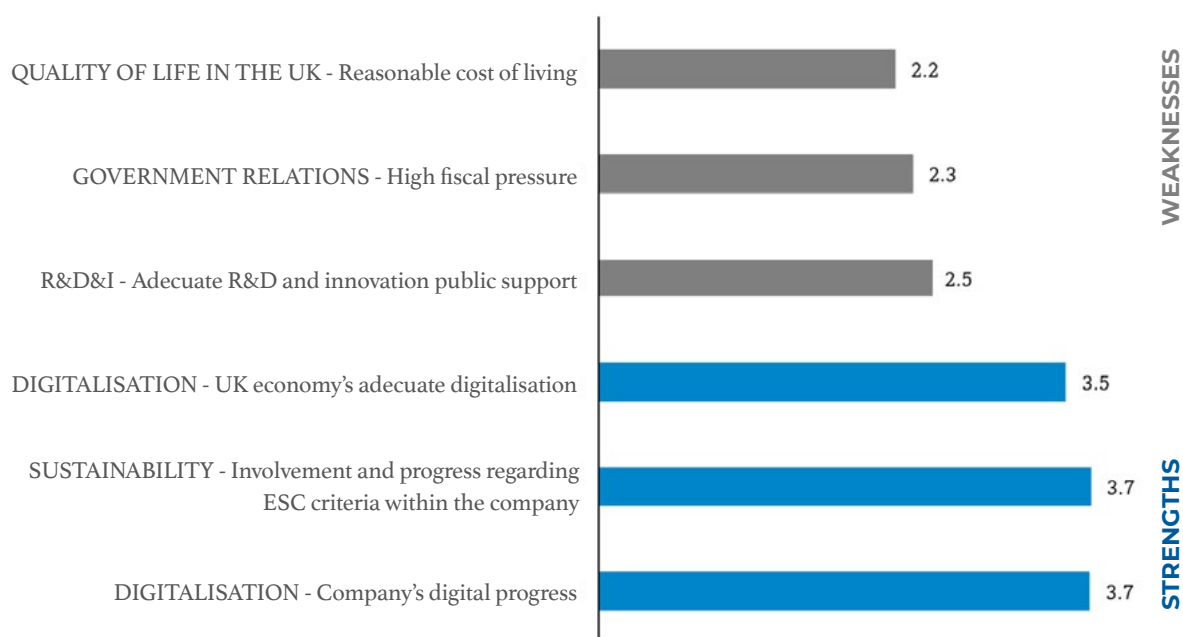
Source: Afi, "2025 Survey of Spanish outward investment into the UK"

Looking at the above assessments, we see that the strongest aspects of the business climate in the UK in the opinion of the Spanish investors there include the existence of a *favourable environment for firm digitalisation* and the *endorsement of ESG criteria at the firm level*, with both attributes obtaining a score of 3.7 points (scale of 1 to 5) for the second year in a row.

On the other hand, the Spanish companies surveyed flagged the same three aspects as the weakest links as in last year's edition, namely the *cost of living* (2.2 points), the *tax burden* prevailing in the country (2.7 points) and, as already noted, the *level of public support for R&D&I* (2.7 points).

KEY STRENGTHS AND WEAKNESSES OF THE BRITISH BUSINESS CLIMATE

(scores based on % of responses)



Source: Afi, "2025 Survey of Spanish outward investment into the UK"

Next, we briefly analyse each of the above-mentioned attributes and aspects in order to gain a deeper understanding of the feedback provided by the Spanish companies operating in the UK:

POLITICAL RISK

The 'political risk' attribute, which appraises the level 'institutional stability' characterising the British business climate, obtained a score of 3.4 points (scale of 1 to 5). This score from the Spanish organisations is 0.1 points below that of last year's edition of the Barometer.

In the wake of the recent change of government, four out of every five companies (83.6% of the total) consider the level of '*institutional stability*' in the UK as, at least, '*acceptable*'. In fact, 12.3% of respondents even described institutional stability as '*excellent*', with another 30.3% defining it as '*good*' (down 6pp from the last edition of the Barometer).

GOVERNMENT RELATIONS

The assessment provided by the Spanish companies about 'government relations' in the UK, a category that covers their perceptions about the level of 'regulatory stability' and the 'tax burden' prevailing in the country, came to 2.9 points out of 5. This score is 0.1 points below last year's.

On the one hand, the predominant perception (expressed by 82.8% of participants) of the companies surveyed is that the level of 'regulatory stability' in the UK is, at least, 'acceptable', with as many as 32% describing it as 'good' and another 11.5% as 'excellent'. However, it should be said that the percentage of firms that currently label the level of 'regulatory stability' as 'inadequate' has increased by 6pp from last year's edition, with 13.9% of all the companies now holding this opinion. Overall, the level of 'regulatory stability' in the UK obtained a score of 3.3 points (-0.1pp from the last edition of the Barometer).

Elsewhere, the respondents once again expressed their unhappiness with the 'tax burden' borne by the companies doing business in the UK. Specifically, around six out of every 10 Spanish companies said they were 'quite in agreement' (40.2% of the total) or 'very in agreement' (18.9%) with the idea that the tax burden prevailing in the UK is 'high'. As a result, the overall score obtained in this category amounted to 2.3 points (out of 5), down 0.2pp from last year's reading.

The deterioration meant that this sub-category emerged as the second worst-rated aspect of the overall British business climate.

FINANCING

This category assesses how the Spanish companies operating and invested in the UK perceive the 'terms and availability of credit' and the degree of development of 'alternative financing channels'. Overall, this business climate attribute obtained a score of 3.2 points, down 0.1pp from last year.

More specifically, around 78% of all the companies surveyed described the 'terms and availability of credit' in the British market as, at least, 'acceptable' (-6pp from 2024), with 35.2% of the total defining this aspect as 'good'. However, the percentage of firms describing this characteristic as 'bad' increased by 4pp to 6.6% of the universe of organisations. As a result, this sub-category obtained an average score of 3.1 points, down 0.1pp from last year.

In parallel, around one of every two organisations surveyed described the degree of 'development of alternative financing channels' (e.g., direct lending, angel investors and venture capitalists, etc.) in the British economy as 'acceptable'. Moreover, another 28.7% described the maturity of these channels as 'good' with a further 7.4% of the universe of Spanish firms choosing the 'excellent' identifier. In addition, the percentage of firms expressing a more negative opinion (labelling this characteristic as 'bad') decreased by 1pp to 0.8% of all respondents. As a result, this sub-category earned a score of 3.3 out of 5, in line with that yielded by last year's edition of the Barometer.

LABOUR MARKET

The 'labour market' attribute, which captures how the Spanish companies perceive the friendliness of labour regulations and the skills of the labour force in relation to their needs, obtained an average score of 2.8 points (scale of 1 to 5), marking a 0.1 point drop from the last edition of the Barometer.

The extent to which the 'skills and training of the labour force' match the companies' needs was the better-performing sub-category, obtaining a score of 2.9 points out of 5. Indeed, six out of every 10 companies rated the availability and skills of available specialists as '*acceptable*', with 5.7% of the total describing them as an '*excellent*' match for their companies' needs (+1pp from the last edition).

In the other sub-category comprising this attribute, 61.5% of the companies surveyed consider the match between how the labour market is currently regulated in the UK and their companies' needs as, at least, '*acceptable*'. However, due to a year-on-year increase (of 3pp to 26.2%) in the percentage of firms that believe that current labour market regulations are '*inadequate*' for their organisations' needs, the score obtained by this aspect decreased by 0.1pp to 2.7pp (scale of 1 to 5).

MARKET STRUCTURE

The three sub-categories that capture the Spanish companies' general perception of the 'market structure' component of the British business climate are: the level of 'transparency and good governance', the 'existence of entry barriers' and the perceived level of 'unfair competitive practices'. Overall, this attribute obtained a blended score of 3.2 points out of 5 (-0.1pp year-on-year) from the Spanish companies polled in 2025.

In terms of 'transparency and good governance', around four out of every five Spanish companies (86.9%) '*agree*' with the idea that these characteristics are a fair description of the framework under which they engage with the British government, with 9.8% claiming to '*agree strongly*' with that statement.

However, the 17pp drop in the number of companies that said they were only '*quite in agreement*' with the statement meant that the average score obtained in this category was 3.3 points (out of 5), down 0.3pp from 2024, which is the second-largest drop across all 21 sub-categories analysed for this seventh edition of the Barometer. It is possible that the recent change of government is behind the opinion expressed by the Spanish companies.

Elsewhere, the Spanish companies once again applauded the absence of significant 'unfair competitive practices' in the British market, giving this sub-category a score of 3.4 points (on a scale of 1 to 5). However, the loss of support expressed by the cohort of companies that report '*strongly disagreeing*' with the notion that there is any form of unfair competition in the British market - from 22% of the total in 2024 to 14% in 2025 - drove a 0.2pp drop in the score earned by this sub-category.

In contrast, the Spanish companies' perception of the existence of 'barriers to entry' in the British market improved by 0.1pp from last year's edition. As a result, this sub-category obtained a score of 2.8 points out of 5. More specifically, around four out of every five companies (78.7% of the total) said they '*disagreed*' with the idea that there are 'significant barriers to entry' as a result of regulations and/or market configuration in the UK and there was a 1pp increase (to 18%) in the share of companies reporting they '*mostly disagree*' with that statement.

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SUSTAINABILITY

For the second year in a row, the ‘sustainability’ attribute ranked as the second best-rated category of the entire Barometer, with an overall score of 3.5 out of 5 points (-0.1pp year-on-year).

The Spanish companies’ positive perception of the level of ‘organisational commitment and progress around the application of ESG criteria’ once again ranked this sub-topic as the second highest of the 21 comprising the Barometer, with a score of 3.7 out of 5. Indeed, 93.4% of the companies surveyed (+1pp year-on-year) categorise their ‘level of engagement and progress around sustainability’ as ‘acceptable’.

However, a smaller share of firms now considers that their individual performance can be categorised as ‘good’ (40.2% of the total; -2pp) or ‘excellent’ (17.2%; -5pp), so that this sub-category’s blended score decreased by 0.1pp from 2024.

In tandem, the Spanish companies assessed continue to applaud and express the level of commitment exhibited by the business community in the UK in terms of ‘commitment to sustainability’. As a result, this sub-category obtained a score of 3.4 points, down 0.1pp from last year’s score. This dip is partially attributable to the 7pp drop in the percentage of firms that describe this commitment as ‘excellent’ (5.7% of the total). It is worth noting, however, that 42.6% of the organisations surveyed described the ‘involvement of British firms in complying with ESG criteria as ‘good’.

DIGITALISATION

For the seventh year in a row, the level of digitalisation, at the level of both the British economy and the business community, emerged as the best-rated aspect of the business climate in the UK in the opinion of the Spanish companies invested there, which gave this attribute a score of 3.6 points out of 5.

Within this headline category, 90.2% of all of the companies surveyed said that in their opinion, the level of their organisations’ digitalisation is, at least, ‘acceptable’, with more than one-tenth (16%) categorising it as ‘excellent’. However, the share of companies that today describe the level as ‘good’ has fallen by 10pp to 44.3% of the total. As a result, although this sub-category once again ranked as the highest scoring of all the aspects assessed, the score given by the Spanish firms decreased by 0.1 points from last year’s edition of the Barometer.

Similarly, the Spanish firms’ general perception of the ‘level of digitalisation of the British economy’ continues to be particularly positive, yielding a score of 3.5 points (on a scale of 1 to 5). However, this result is 0.1pp lower than the 2024 score, due primarily to a drop in the percentage of organisations describing the level as ‘excellent’ (4.9% of the total; -5pp year-on-year).

R&D&I

The biggest novelty in this seventh edition of the 'Barometer on climate and outlook for Spanish investment in the UK' is the introduction of a new factor that could make a difference to Spanish companies' ease of doing business in the UK, namely the 'adoption and integration of artificial intelligence (AI)' at the firm level, especially given the Spanish companies' positive appraisal of Britain's overall 'digital and innovation ecosystem'.

Indeed, around 70% of the companies surveyed reported perceiving at least an '*acceptable*' level of integration of AI in their organisations. Moreover, 23.8% of the total described the level of integration of AI and the various processes and functional areas of their firms as '*good*', with 4.9% categorising it as '*excellent*'. In contrast, around one in ten of the companies surveyed (9.8% of the total) said that large-scale use of these types of solutions is not yet a reality at their organisations. As a result, the first blended score awarded by the Spanish companies to this new sub-category of the British business climate was 2.9 points (scale of 1 to 5).

Meanwhile, the Spanish companies with operations in the UK once again manifested to a significant degree (48% of the total) that the level of support they receive from the government for facilitating and stimulating R&D&I work within their organisations (via tax incentives and/or relief) is '*inadequate*'. Moreover, the percentage of companies that described the level of support as '*insufficient*' increased by 8pp to 12% of the total. All of this meant that this sub-category of the business climate appraisal obtained a blended score of 2.5 points (down 0.3pp from last year), ranking it as the second-lowest scoring sub-category among the 21 assessed.

As a result, the overall score fetched by the R&D&I attribute was 2.7 points, which is 0.1pp below last year's score, making this category the worst-performing of the British business climate attributes assessed by the Spanish companies.

SUPPLIER COSTS

The 'supplier costs' category, which analyses the suitability of 'strategic service networks' (transportation, telecommunications and energy networks) and 'supplier-distributor networks' in relation to the companies' needs, was positively rated by the Spanish companies operating in the UK market. This attribute's overall score increased by 0.1pp to 2.9 points (out of 5).

With respect to the 'availability and quality' of the UK's existing transportation, telecommunications and energy networks, around six out of 10 companies (57.4% of the total) said they were, at least, '*acceptable*' given their organisations' needs. Note that the percentage that had described these networks' fit for purpose as '*inadequate*' decreased by 13pp year-on-year, while 2% described their fit as '*excellent*' (compared to 0% in last year's Barometer). As a result, this sub-category obtained a score of 2.6 points out of 5.

Elsewhere, three out of every four companies surveyed reported that the fit between the existing network of 'suppliers and distributors' in the UK and their organisations' needs was '*acceptable*'. In line with the above, the percentage describing that fit as '*inadequate*' decreased by 9pp to 17.2% of the total, while the percentage labelling it as '*excellent*' doubled to 5% of all of the organisations consulted. As a result, this business climate sub-category earned a score of 3.1 points from the Spanish companies established in the UK.

QUALITY OF LIFE IN THE UK

Lastly, the 'quality of life' attribute, which encompasses a number of sub-categories, including the 'cost of living', the 'adequacy of expatriate integration' and the 'quality of life' obtained an average overall score of 2.8 points (out of 5) in this year's edition of the Barometer, which is 0.1pp better than last year's score, lifting this category up from the bottom of the ranking of British business climate attributes.

Nevertheless, the Spanish firms' perception of the 'cost of living' in the UK once again weighed heavily on this blended score. In fact, just 31.1% of all the companies surveyed categorised this aspect as, at least, '*acceptable*'. However, the percentage of firms agreeing that the cost of living could be defined as '*good*' increased by 3pp to 9% of the total. As a result, this sub-category obtained a blended score of 2.2 points, making it once again the worst-performing sub-category of the British business climate.

As for the 'quality of life' encountered in the UK, as many as four out of every five of the companies surveyed (82.8% of the total; +3pp year-on-year) perceive it to be, at least, '*acceptable*', with 36.9% considering it '*good*'. As a result, this sub-category obtained a score of 3.2 points out of 5, up 0.1pp from last year's score.

Finally, the firms' assessment of the 'adequacy of expatriate integration' was stable by comparison with the 2024 appraisal. Indeed, just 24.6% of all of the companies surveyed expressed a positive opinion of this aspect (describing the level of integration as '*good*' or '*excellent*'). As a result, the score obtained in this sub-category came to 2.8 points (on a scale of 1 to 5), down 0.1pp from last year's score.

SUMMARY OF THE SCORES AWARDED BY THE SPANISH FIRMS TO THE VARIOUS ASPECTS THAT GIVE SHAPE TO THE BRITISH BUSINESS CLIMATE

Attributes	Aspects	2025	Dif. 24/25
Political Risk	Institutional stability	3.3	-0.1
	Regulatory stability	3.4	-0.1
	High fiscal pressure	2.3	-0.2
Financing	Favourable conditions and availability of credit	3.1	-0.1
	Appropriate alternative financing channels	3.3	-0.1
	Adequate labour regulations	2.8	-0.1
Labour market	Adequate workforce training skills	2.9	0
	Transparency and good governance	3.3	-0.3
	Existence of barriers to entry	2.8	0
Market structure	Existence of unfair competition	3.4	-0.2
	Involvement of the part of companies in the UK in relation to compliance with ESG criteria	3.4	-0.1
Sustainability	Involvement and progress regarding ESG criteria within the company	3.7	-0.1
	UK economy's adequate digitalisation	3.5	-0.1
	Company's digital progress	3.7	-0.1
R&D&I	Adequate R&D&I public support	2.5	-0.3
	Adoption and integration of AI at firm level	2.9	
Supplier costs	Adequate transport, telecommunications and energy supplies	2.6	0.1
	Adequate availability of suppliers and distribution networks	3.1	0
Quality of life in the UK	Reasonable cost of living	2.2	0
	Adequate integration of expatriates	2.8	-0.1
	Ease of achieving good quality of life	3.2	0.1

Source: Afi, "2025 Survey of Spanish outward investment into the UK"

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The Silvertown Tunnel, London, image courtesy of TfL/Luca Marino

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8. HOW SPANISH COMPANIES SEE FACTORS THAT COULD IMPACT THEIR ACTIVITIES IN THE BRITISH MARKET

This section analyses the expectations of the Spanish companies operating in the UK with respect to certain factors, both *circumstantial* (recent macroeconomic developments) and *structural* (impact of the political environment), that could end up affecting the fate of their businesses, the performance of their activities or their investment decision-making.

MAIN CHANNELS OF IMPACT ON THE COMPANIES' BUSINESS ACTIVITIES

The Spanish companies with operations in the UK view 'inflation' (53.3% of the total) and, to a lesser degree, 'geopolitical tensions' (38.5%), as the key factors that could have the biggest impact on their businesses in the near term (next 12 months). Meanwhile, the chief challenges flagged were 'operating costs' (55.7%) and 'intensification of competition from national and international firms' (40.2%).

The UK, as with the rest of the developed economies, faces a unique political, social, economic and geo-strategic environment whose evolution could end up having a significant impact on the activities carried out by the Spanish companies doing business in this market. To that end, this seventh edition of the Barometer has assessed which factors the surveyed companies believe could have a bigger impact on their businesses.

Over half of the organisations surveyed (53.5% of the total) believe that a potential 'drop in inflation' would be the most important factor for their businesses in the course of the next 12 months. This perception should be seen against the backdrop of an economy that is still working on curbing the growth in prices (+4% year-on-year in 2023; +2.5% year-on-year in 2024).

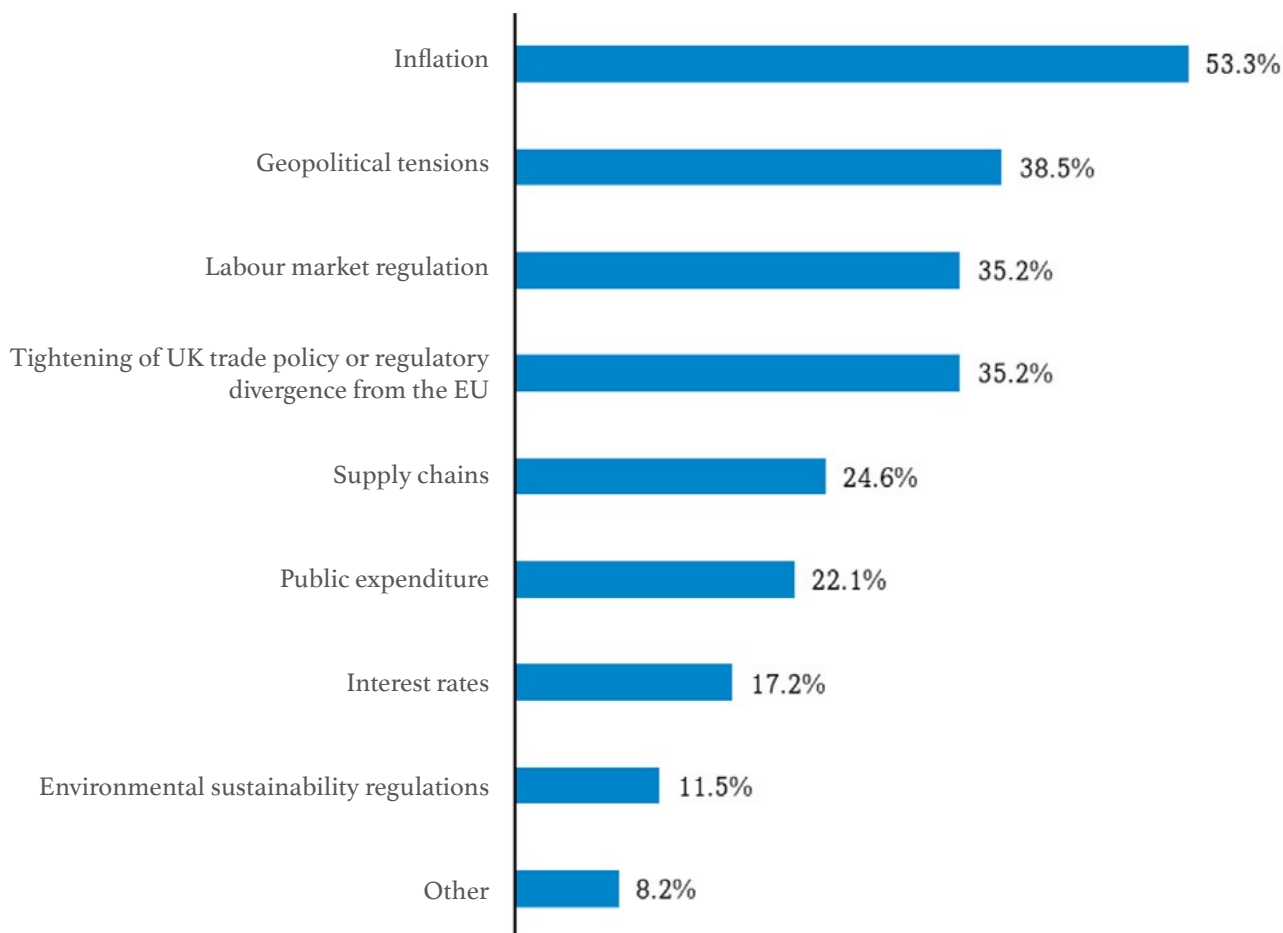
Tied to the efforts still being made by the Bank of England to continue to tame inflation, interest rates in the UK remain above 4%. Insofar as the UK monetary authority is expected to continue⁴ to gradually lower its benchmark rates, around one-fifth of all of the companies surveyed (17.2%) said that this decision could have a decisive – and positive – impact on their businesses.

Internationally, the potential impact of the recent escalation of ongoing geopolitical conflicts, such as the US tariff thrust, the armed conflict between Israel and Palestine and the failure to put an end to the war between Russia and Ukraine, is also of concern to the Spanish companies doing business in the UK. Indeed, as many as 38.5% of the survey participants flagged this as the factor that could have the biggest impact on their businesses in the next 12 months.

⁴ In August 2025, the Bank of England reduced rates by a further 0.25 basis points (bp) to 4%.

KEY FACTORS EXPECTED TO HAVE A BIGGER IMPACT ON THE RESPONDENTS' BUSINESSES IN THE NEXT 12 MONTHS

(% of companies surveyed)



Source: Afi, "2025 Survey of Spanish outward investment into the UK"

Note: a given company may select more than one factor.

In parallel, 35.2% of the Spanish companies surveyed believe that a propitious climate for current and future relations between the UK and EU would also be particularly relevant for their businesses.

The recent summit held in May 2025 between António Costa (President of the European Commission), Ursula von der Leyen (President of the European Commission) and Keir Starmer (British Prime Minister) laid the groundwork for articulating a new chapter for bilateral relations between the two geographies, particularly with respect to a host of matters related with peace and security on the European continent.

In addition, the recent visit by the President of the Spanish government to the UK led to the signature of a new Strategic Bilateral Framework destined to reinforce economic, political and social cooperation between the two countries.

Note, lastly, in relation to national politics, that the Spanish companies surveyed flagged both 'current labour market regulations' (35.2% of the total) (particularly with regard to migration and work visas), and the limited 'room for fiscal manoeuvre' (22.1%) (insofar as fiscal consolidation may have to be partly borne by the business community when the 2025/2026 budget, currently in progress, is passed), as two developments whose denouement could have a significant impact on the fate of their businesses over the next 12 months.

STRATEGIC CHALLENGES TO BE TACKLED BY FIRMS IN THE UK OVER THE NEXT 12 MONTHS

(% of companies surveyed)



Source: Afi, "2025 Survey of Spanish outward investment into the UK"

Note: a given company may select more than one challenge.

In tandem, the companies surveyed also identified what they see as the 'strategic challenges' they expect to face and/or tackle over the next 12 months. The main challenges identified by the Spanish companies operating in the UK are:

- For 55.7% of the participants, an 'increase in operating expenses', which is a challenge closely aligned with the firms' concern about the potential impact of an 'unfavourable' trend in inflation in the UK.
- Shaped by the exacerbation of the various global geopolitical conflicts, 40% of the companies signalled the need to face 'intensification of competition from other companies at both the local and international levels', whereas around 20% of the total highlighted the difficulties the new and complex 'tariff environment' could pose for their businesses.
- In line with the concerns about 'labour market regulations', 40% of the Spanish companies operating in the UK once again flagged the challenges being encountered in terms of 'finding manpower' whose skills match their organisations' needs as one of the key strategic challenges they expect to face over the next 12 months.
- In terms of national policy, around one-fifth of the companies surveyed (18.9%) noted that the fallout from 'political uncertainty' in the short term could end up playing a key role in their companies' outlook.

IMPACT OF GOVERNMENT ACTION ON CORPORATE DECISION-MAKING

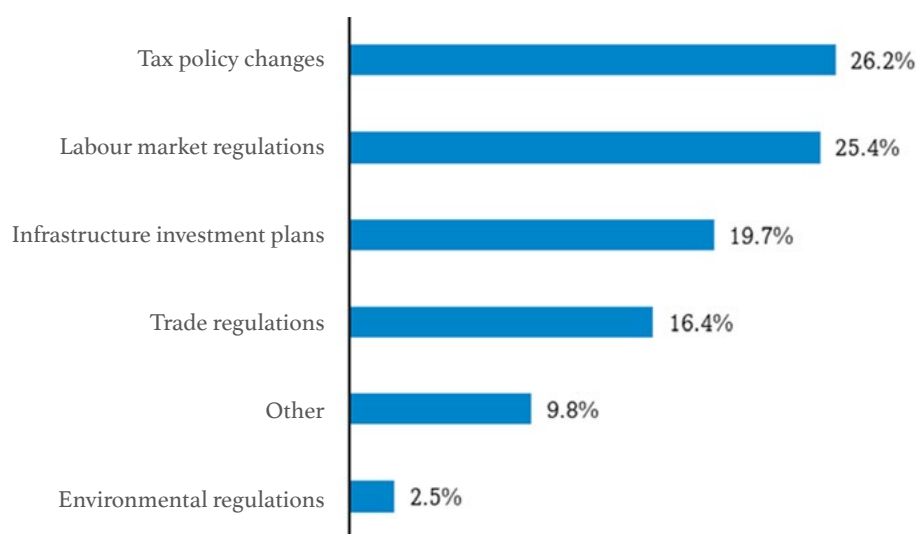
The Spanish companies surveyed flagged two specific areas - 'taxation' and the 'labour market' - where government action is having a bigger impact on their investment decisions in the British market.

The Spanish companies operating and invested in Britain told us which areas of the UK government's economic policy are having, in their opinion, a bigger impact on their decisions as to whether or not to invest in the country.

More specifically, the future of 'tax policy' and current 'labour market regulations' were noted as the two main areas conditioning their decision-making around investments in the British market, as reported by 26.2% and 25.4% of all of the Spanish companies, respectively.

KEY AREAS OF GOVERNMENT ACTION WITH A BIGGER IMPACT ON CORPORATE INVESTMENT DECISION-MAKING IN THE UK

(% of responses)



Source: Afi, "2025 Survey of Spanish outward investment into the UK"

Note: a given company may select more than one area.

The results shared here are once again in line with the feedback provided by the Spanish firms in previous editions of the Barometer. Recall that in the wake of the change of government, the participating organisations expressed their hope that the new government would embark on a major reform of the tax burden borne by the business community. However, even though the Labour Party promised during its election campaign not to increase corporate income tax, the ‘fiscal hole’ it inherited forced the government, in order to push its budget through, to increase the national insurance contributions paid by employers by 1.2pp (Official Spanish Chamber of Commerce in the UK & Afi, 2024).

Despite this move, along with other cuts recently made by the British government to ‘social spending’ (benefits), the Chancellor of the Exchequer, Rachel Reeves, has announced, ahead of the upcoming November 2025 budget, that she is expecting “further measures on tax”, saying that the government’s choices had been made “harder” by international events and the “long-term damage” done to the economy.

Elsewhere, the ‘scarcity of staff’ had already been identified by 37% of the companies as the area of government action that could have the biggest impact on their businesses in last year’s edition of the Barometer. Back then, the Spanish companies expressed their hope that the new government would commit to “facilitating the hiring of workers from third countries, particularly Europe, by making it simpler to obtain visas”, as well as “providing incentives to companies to facilitate investment in employee training and upskilling”. However, the new government stressed at the time that the foundations of its migration policy would focus on executing an immigration plan designed to reduce the UK’s dependence on overseas skilled workers, so refocusing “the skills landscape towards young, domestic talent” (Official Spanish Chamber of Commerce in the UK & Afi, 2024).

Since then, the government has taken steps to implement a range of policy and regulatory changes⁵, with, generally speaking, the aim of reducing the (net) migratory flows received by the UK from abroad, making it harder for overseas workers to obtain visas for working in Britain, as enshrined in the white paper titled “Restoring control over the immigration system” published by the government in May 2025.

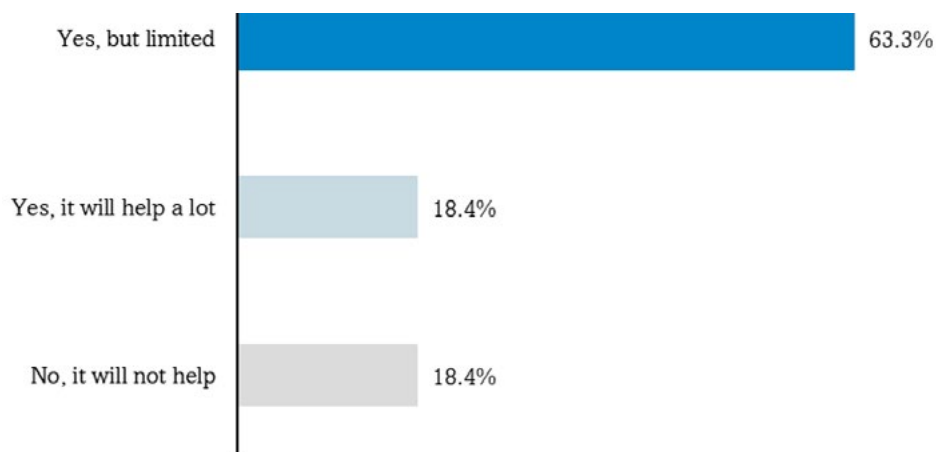
The future of government policy around ‘investment in productive infrastructure’ is also a concern for another fifth of the Spanish companies surveyed.

Lastly, the last edition of the Barometer also signalled the need for the public sector to continue to earmark funds to upgrade strategic infrastructure (transportation, energy and telecommunications networks) so as to ensure the ongoing competitiveness of the British economy in the new global political, economic and geopolitical paradigm (Official Spanish Chamber of Commerce in the UK & Afi, 2024).

⁵ For example, increasing the length of time required to accede to ‘permanent residency’ to 10 years; reducing the visa for students to a term of 18 months at most; or generally making it harder to get a work visa by increasing the requirements around minimum skills levels, among others.

EXPECTED IMPACT OF BRITAIN'S MODERN INDUSTRIAL STRATEGY ON CORPORATE INVESTMENT AND ACTIVITY

(% of responses provided by companies who said they understood the potential impact of this initiative on their businesses)



Source: Afi, "2025 Survey of Spanish outward investment into the UK"

The British government has drawn up a Modern Industrial Strategy, a 10-year plan (2025–2035) which aims to make it quicker and easier to invest and expand in a more competitive, secure and resilient economy, backing eight sectors with the highest growth potential. As many as three out of every five firms surveyed (63.3% of the total) said that they thought this initiative could, to a degree, help expand business opportunities for their firms and pave the way for new investment projects.



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9. OUTLOOK FOR BUSINESS IN 2025 IN THE EYES OF THE SPANISH COMPANIES WITH DIRECT INVESTMENTS IN THE UK

This section addresses the expectations of the Spanish companies operating and invested in Britain in terms of their outlook for sales (revenue), investment and employment in the course of 2025.

We also take a deeper look at the sector and geographic profiles of the Spanish companies with plans to invest in the UK this year, taking note of the rationale for those investments and the specific initiatives they plan to execute.

BUSINESS EXPECTATIONS

Six out of every 10 companies surveyed said they expected to report revenue growth in the British market in 2025. In parallel, around half of them said they expect to increase their investments in the UK this year. A similar percentage of participants said they expect their UK headcounts to remain 'stable'.

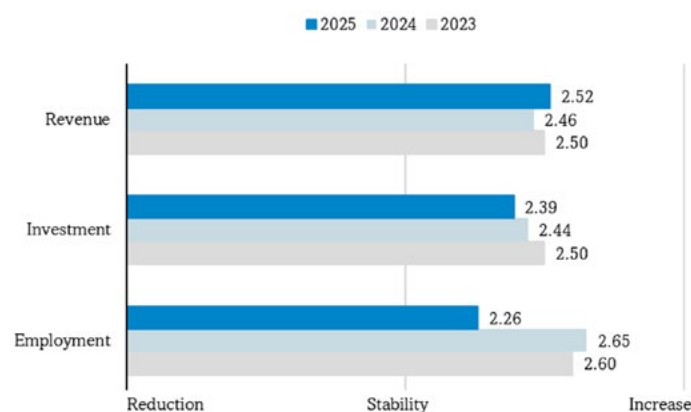
In general terms, the Spanish companies operating and invested in the UK expressed *favourable* expectations (2.4 points on a scale of 1 to 3) for the outlook for the economy and their businesses in the country in 2025. More specifically, 60% of the Spanish companies are expecting revenue growth in the British market in 2025, with as many as 45% of the total planning to step up their investments in this market this year.

The firms' current outlook differs somewhat from that shared last year (2.5 points on a scale of 1 to 3), foreshadowing a degree of *slowdown* in activity. In fact, the percentage of firms that expect their revenue to grow this year decreased by 9pp by comparison with last year's edition of the Barometer, with a similar drop in the number expecting to increase their headcounts in 2025 (12pp decrease to 37% of the total).

On the other hand, the trend in expectations for investing activity was relatively more favourable: the percentage of companies planning to increase their investments in the British market dipped by a mere 3pp. Moreover, only a small minority, 6% of all of the participants, indicated plans to scale back their investments in the UK.

SPANISH COMPANIES' OUTLOOK FOR THEIR BUSINESS ACTIVITIES IN THE UK IN 2025

(scores based on % of responses, where 1 indicates 'reduced' activity and 3 denotes 'increased' activity)



Source: Afi, "2025 Survey of Spanish outward investment into the UK"

INVESTMENT PLANS

Productivity growth was once again the main rationale for the investments planned on British soil, according to one in two of the companies surveyed.

In order to bring that growth about, nearly half of the firms said they were planning to carry out commercial initiatives (50.9% of the total) and implement new digital technology at their firms (49.1%). Some are also planning to hire new professionals and to train and upskill existing professionals (38.2% and 32.7%, respectively).

Regionally, *England (excluding London and its metropolitan area)* emerged as the most attractive destination for the Spanish companies (54.5% of the total) in terms of locating their planned new investments.

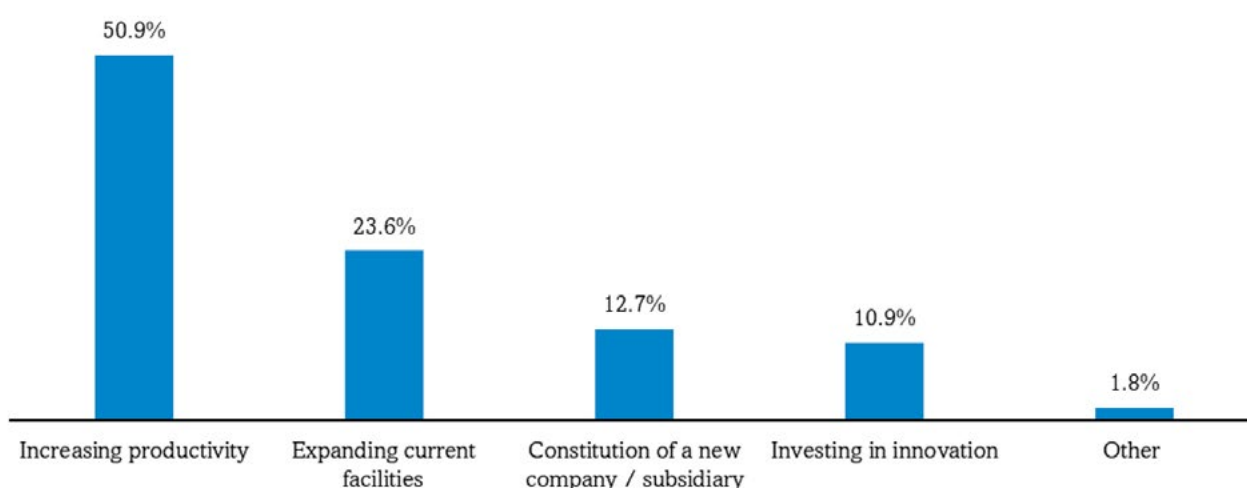
Among the Spanish companies planning to undertake some form of investment in the UK in 2025, one in two expressed their hope of achieving “productivity gains” as the main rationale for the organisation’s decision to invest in the British market.

In addition, 11% of all the companies surveyed cited “investments in R&D&I-related activities” (AI, blockchain, virtual reality and 3D printing technology) as the main reason for investing in the British market in 2025.

In parallel, around one-fifth of all of the firms surveyed signalled the “expansion of existing facilities” (23.6% of the total) as the primary objective associated with their plans for investment in the British market, with just one-tenth (12.7%) reporting that they planned to “create a new company or subsidiary”.

MAIN OBJECTIVES PURSUED BY THE NEW INVESTMENTS PLANNED BY SPANISH FIRMS IN THE UK IN 2025

(% of responses indicating plans to increase investments next year)



Source: Afi, “2025 Survey of Spanish outward investment into the UK”
Note: a given company may have more than one investment rationale.

The companies surveyed that expressed plans to carry out new investments in the UK in 2025 said they would undertake different strategies in order to ensure delivery of their stated investment objectives.

Related to the desire to increase “productivity levels within the firm”, over one-third of the Spanish firms said they planned to ‘implement new digital technology’ (49.1% of the total), carry out new ‘training initiatives’ (38.2%) and impart ‘new skills’ (32.7%). In addition, one-tenth of the participants (10.9% of the total) responded that they expect to undertake ‘R&D&I activities’ within their organisations.

In parallel, the Spanish companies doing business in the UK expressed backing for another series of strategies related to their goal of *scaling up the business* (a goal which includes “expansion into other regions of Britain” and “facility expansion”). In order to help achieve these goals, more than one-third (36.4%) of the organisations said they planned to ‘develop new products’, whereas one-fifth (18.2%) reported hopes of embarking on new ‘M&A activity’.

Lastly, more than half of the survey participants (50.9% of the total) said they would carry out new ‘marketing initiatives and campaigns’.

TYPES OF INVESTMENTS PLANNED BY SPANISH FIRMS IN THE UK IN 2025

(% of responses indicating plans to increase investments)



Source: Afi, “2025 Survey of Spanish outward investment into the UK”

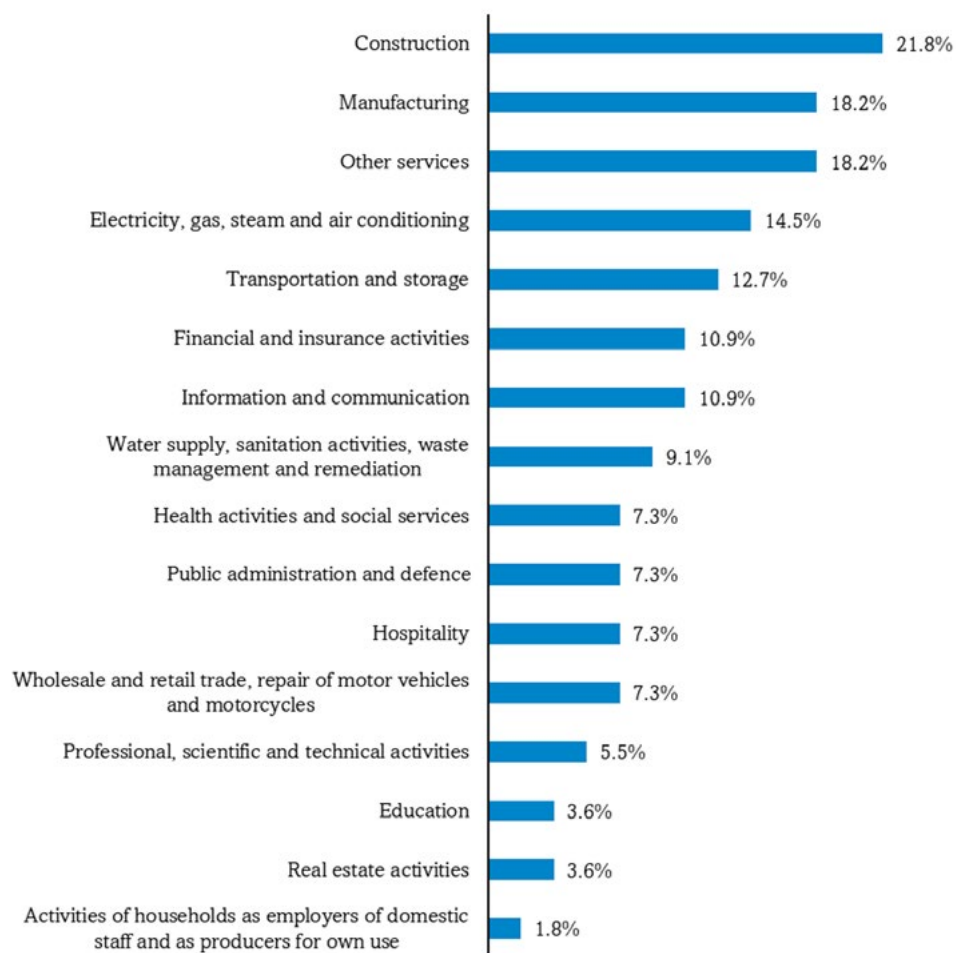
Note: a given company may select more than one type of investment.

At the sector level, both the 'construction' sector (21.8% of the total) and the areas of activity encompassed under the umbrella of the 'manufacturing industry' (18.2%) are the sectors of the British economy set to benefit the most from the investments planned by the Spanish companies doing business there.

Another four areas of the economy are expected to benefit from investments by more than 10% of the Spanish companies doing business in the UK: 'electricity, gas, steam and air conditioning supply' (14.5% of the total); 'transportation and storage' (12.7%); 'real estate activities' (10.9%); and 'information and communication' (10.9%).

SECTOR BREAKDOWN OF THE INVESTMENTS PLANNED BY SPANISH FIRMS IN THE UK IN 2025

(% of responses indicating plans to increase investments)



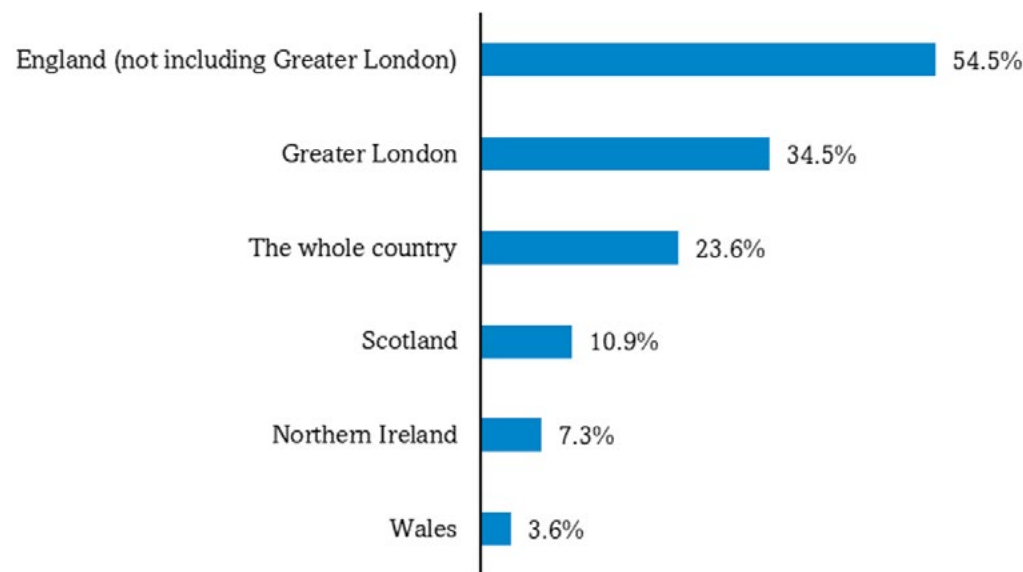
Source: Afi, "2025 Survey of Spanish outward investment into the UK"

Note: a given company may be planning to invest in more than one sector.

Around one out of every four Spanish companies (23.6% of the total) doing business in the UK with plans to invest in the British market in the next year plans to locate those investments all across the country. However, the three specific regions cited most often by the Spanish firms are *England (other than London and its metropolitan area)* (54.5% of the total), *London and its metropolitan area* (34.5%) and *Scotland* (10.9%).

REGIONAL BREAKDOWN OF THE SPANISH INVESTMENTS PLANNED FOR THE UK IN 2025

(% of responses noting plans to increase investments)



Source: Afi, "2025 Survey of Spanish outward investment into the UK"

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10. STRATEGIC IMPORTANCE OF THE UK MARKET FOR SPANISH CORPORATE INVESTMENT

This last section captures and analyses the opinions of the survey participants regarding the strategic importance of the British market for their businesses.

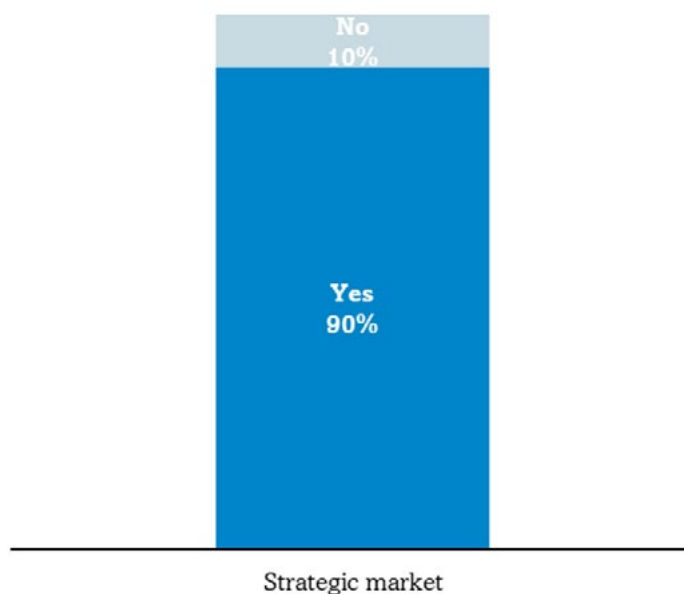
STRATEGIC IMPORTANCE OF THE UK MARKET FOR THE SPANISH COMPANIES

Nine out of every 10 Spanish companies doing business in the UK once again underlined the strategic importance of the British market for their organisations. Three out of four said they had no plans to exit this market over the next five years.

Despite having had to face a plethora of challenges in the British market of late in terms of both macroeconomic and international and domestic policy, some 90% of the Spanish companies operating and invested in the UK once again stressed the strategic nature of their organisations' presence in the British market, in line with the figures reported in recent years (93% in 2024; 91% in 2023).

STRATEGIC NATURE OF THE BRITISH MARKET FOR THE SPANISH COMPANIES IN THE CURRENT POLITICAL AND ECONOMIC CLIMATE

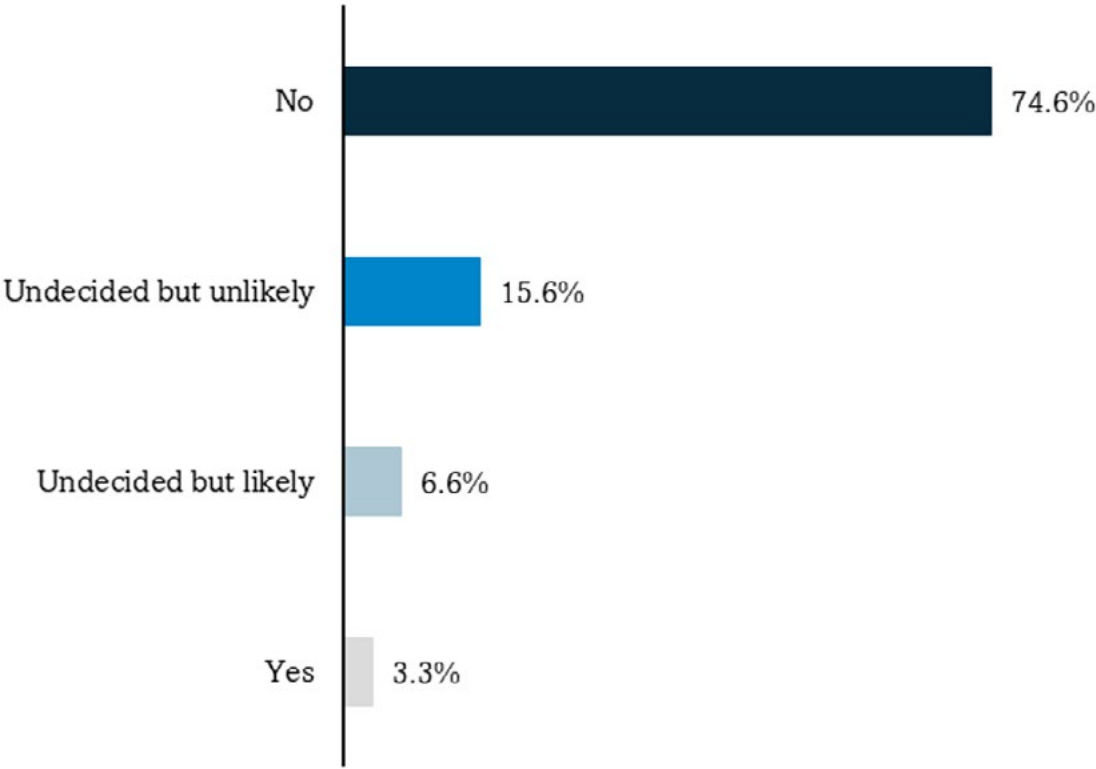
(% of companies surveyed)



Source: Afi, "2025 Survey of Spanish outward investment into the UK"

In line with the foregoing, as many as 91% of the companies surveyed said they did not seriously contemplate any *real* possibility of effectively abandoning the British market within the next five years. Note, however, compared to the 2024 edition of the Barometer, the percentage of companies reporting that they thought it was “probable” that they could exit the UK market in the next five years increased by over 3pp to 6.6% of the total.

SPANISH COMPANIES’ EXPECTATIONS REGARDING AN EXIT FROM THE UK MARKET IN THE NEXT FIVE YEARS
(% of respondents)



Source: Afi, “2025 Survey of Spanish outward investment into the UK”

APPENDIX: METHODOLOGY AND CHARACTERISTICS OF THE SAMPLE OF SURVEYED COMPANIES

More than 120 Spanish companies doing business in the UK participated in this seventh edition of the *Barometer on the Climate and Outlook for Spanish Investment in the UK*.

This year’s Barometer featured an online consultation of Spanish companies operating and invested in Britain, which took place between 17 July and 29 September 2025.

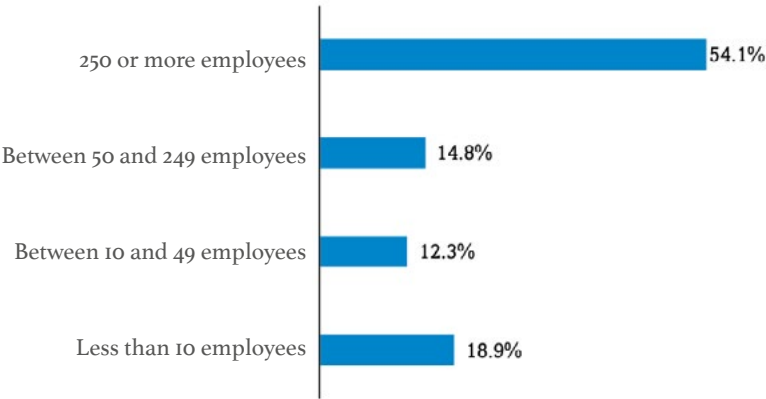
A total of 122 companies participated in the survey, sharing their opinions, perceptions and expectations around the factors that shape the business and investment climate in the UK today.

The survey covers a wide variety of questions related to the impact of the current geopolitical situation and prevailing economic, political and regulatory conditions on the organisations’ businesses. It also addresses the strategic importance of the British market for the organisations and the companies’ growth expectations, paying particular attention to their growth plans.

The participants present diverse profiles in terms of size, sector of activity and locations within the UK.

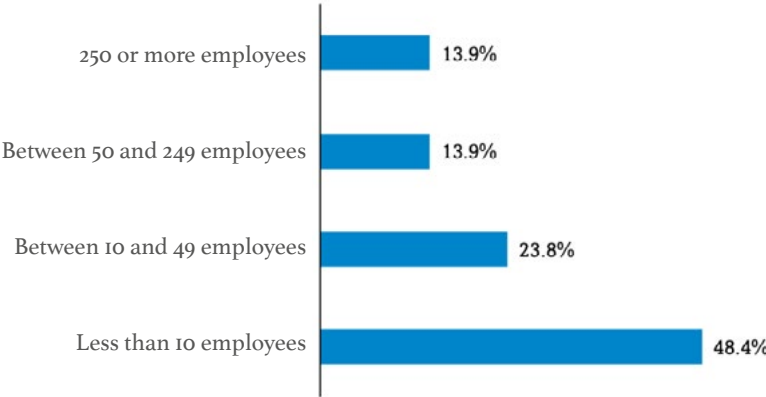
BREAKDOWN OF THE SAMPLE BY SPANISH PARENT COMPANY SIZE

(% of all firms surveyed)



BREAKDOWN OF THE SAMPLE BY SPANISH PARENT COMPANY SIZE

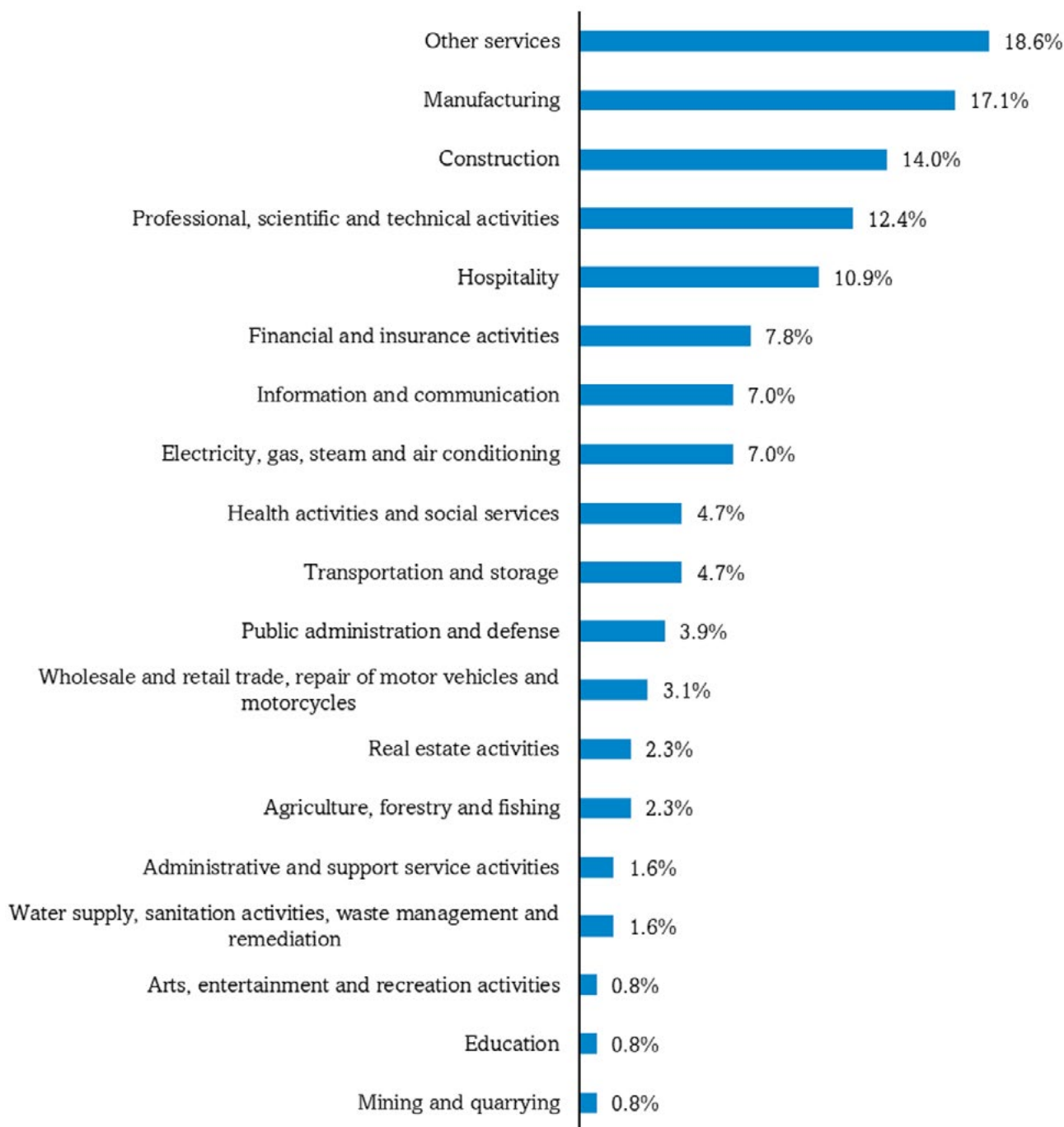
(% of all firms surveyed)



Source: Afi, “2025 Survey of Spanish outward investment into the UK”

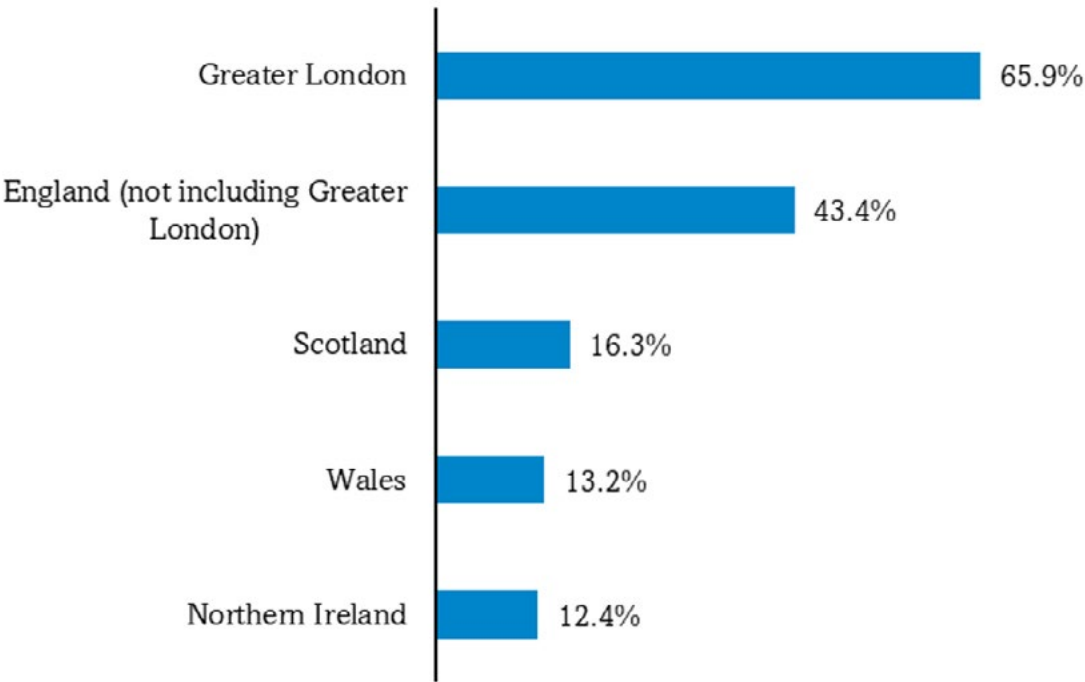
BREAKDOWN OF THE SAMPLE BY SECTOR OF ACTIVITY OF THE SPANISH SUBSIDIARY OPERATING IN THE UK

(% of all firms surveyed)



Source: Afi, "2025 Survey of Spanish outward investment into the UK"

BREAKDOWN OF THE SAMPLE BY GEOGRAPHIC PRESENCE OF THE SPANISH SUBSIDIARY OPERATING IN THE UK
(% of all firms surveyed)



Source: Afi, "2025 Survey of Spanish outward investment into the UK"



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ABOUT THE SPANISH CHAMBER OF COMMERCE IN THE UK

In **1886**, a group of Spanish and British merchants, industrialists and professionals founded the Chamber with the main objective of promoting the economic and commercial **relationships** between both countries.

Today, our main goal is to facilitate **the development and promotion of trade and investment between Spain and the United Kingdom**, playing a fundamental role in the commercial and economic relations between the two countries.

Our mission:

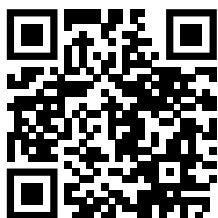
- To create a **platform of business opportunities** within the British-Spanish business community.
- To provide **support and advice to our Members**, offering tailor-made solutions for the requirements of each company that we work with.
- To serve as a **strategic partner** to those interested in doing business in Spain or the United Kingdom.

HOW TO JOIN OUR NETWORK

As a Member of the Chamber, you will join the **Spanish Business community in the United Kingdom**. This will give you access to a wide variety of services, including the Chamber's vast **network** of contacts and **information** regarding business opportunities in the UK and Spain.

We offer three categories of **membership** which are suited to different companies' requirements: Corporate, Benefactor and Patron. Association with the Chamber provides a series of general benefits for all Members, while there are exclusive advantages for each of the superior membership categories.

Explore all the benefits of **each tier of membership** here:



PROMOTE YOUR COMPANY IN OUR 2025 ANNUAL REPORT

The **Spanish Chamber of Commerce** is already busy working on its 2025 Annual Report. Each year, our Team carefully curates this publication, which serves not only as a **summary of the Chamber's activities** but also as an **overview of the economic relations between Spain and the UK**.

The Chamber distributes **physical copies** of the Annual Report at events, meetings, and in our office in central London. Our network—including members, official representatives, and other companies interested in both countries—also receives a **digital copy**, shared through our communication channels.

For companies interested in promoting their business in our Annual Report, the Chamber offers various advertising packages that allow you to:

- Reach **an audience engaged with the Spanish-British** business community by promoting your company in the Annual Report of the Official Spanish Chamber of Commerce in the UK.
- Showcase your company in our Annual Report, with **physical copies distributed at over 50 events throughout the year**.
- Feature an advertisement for your company in a publication **shared through our online channels**, including our LinkedIn profile with 12k followers and our newsletter with 4k subscribers.

ADVERTISING RATES - EXCLUSIVELY FOR MEMBERS

LOCATION	PRICES*
1 PAGE (EVEN PAGE NUMBER)	£ 995
½ PAGE (EVEN PAGE NUMBER)	£ 525
1 PAGE (ODD PAGE NUMBER)	£ 1,250
½ PAGE (ODD PAGE NUMBER)	£ 620
1 PAGE (INSIDE FRONT COVER)	£ 1,750
1 PAGE (INSIDE BACK COVER)	£ 1,750
HIGHLIGHT YOUR COMPANY ON OUR MEMBERS' DIRECTORY	£ 95

20% discount for Small and Medium Enterprises (SMEs) that are Members if ordered by 31st January 2026

*Prices shown are before tax

Non-Members can contact spanishchamber@spanishchamber.co.uk for a quote.

SPANISH CHAMBER OF COMMERCE IN THE UNITED KINGDOM

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SERVICES OF THE CHAMBER

EVENTS:

The Chamber organises **more than 50 events** each year which serve as the **meeting point of the Spanish-British business community**. At our events, we welcome **senior representatives** from Spanish, British and other international companies, as well as **government officials** and other influential figures from both countries. Our wide variety of events, from **major corporate events to technical sessions**, provide a profitable networking opportunity for companies of all industries and sizes.



BILATERAL TRADE:

Our **Foreign Trade Department** advises both Member and non-Member companies looking to enter either the Spanish or British markets. Our Team of experts can connect your **business** with the right local **partners, clients, and suppliers** to ensure a smooth entry into a new market. The Chamber works with businesses from **both countries** looking to expand into Spain or the UK.

COMMUNICATIONS:

The Spanish Chamber of Commerce in the UK provides a range of tools to help your company **connect with a targeted audience**. Our Members benefit from our **communication channels**, which engage a wide audience interested in both countries and business. This enhances your **visibility** and adds significant **value** to the news you share with us. For non-Members, we offer tailored **advertising packages** designed to promote your products and services effectively.



WHAT CAN THE CHAMBER DO FOR YOUR COMPANY?

EXPAND YOUR NETWORK:

Participate in our networking events, which provide an optimal opportunity for companies to connect with new business partners.

INCREASE YOUR VISIBILITY:

Benefit from the Chamber's communication channels or explore the frequent sponsorship opportunities of our events.

EXPLORE NEW OPPORTUNITIES:

Organise a seminar or an event in collaboration with the Chamber.

BENEFIT FROM OUR WIDER INSTITUTIONAL NETWORK:

Which we have acquired through promoting bilateral commercial relationships between the two countries for over 130 years.

EXPAND YOUR BUSINESS:

Enter either the Spanish or British markets with the advice of the Chamber's experts.

YOUR STRATEGIC PARTNER FOR DOING BUSINESS IN A NEW MARKET

The Spanish Chamber of Commerce is an **expert on trade and business relations between Spain and the UK**, offering advice to companies looking to expand into the other country.

Our broad **network of industry contacts and partnerships** enables us to connect businesses with the right local partners, clients, and suppliers. Moreover, our strong **relationships with institutional representatives and key stakeholders** in both the public and private sectors allow us to open doors and create valuable opportunities for companies.

Whether you are looking for market intelligence, strategic introductions, or practical support, we have extensive knowledge of both markets, and we are equipped to guide you at every step of the way. At the Spanish Chamber, we are not just facilitators; we are your gateway to a **successful and sustainable presence in a new market**.



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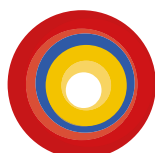


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