

Masdar joins Iberdrola to co-invest in the Baltic Eagle wind farm in Germany

- *The Baltic Eagle offshore wind farm, which has a capacity of 476 MW, is valued at €1.6 billion according to the terms of the deal*
- *Iberdrola reaffirms its commitment to offshore wind leadership, with 3,000 MW of projects under construction or secured with zero seabed costs*
- *Masdar strengthens existing global wind portfolio amid plans to significantly expand its pioneering role in this crucial sector*
- *Ahead of the UAE hosting COP28, Masdar's investment furthers the ambitions of the Energy Security and Industry Accelerator (ESIA) agreement between the UAE and Germany signed last year*

Masdar, the UAE's flagship renewable energy company, has signed a strategic agreement with Iberdrola, a global clean energy leader, to co-invest in the 476-megawatt (MW) Baltic Eagle offshore wind farm in the German Baltic Sea. Iberdrola will retain a majority 51% stake in the asset, which will help to accelerate green energy security in Europe.

According to the terms of the deal, Baltic Eagle wind farm is valued at approximately €1.6 billion euros. Iberdrola will control and manage the asset, providing operation and maintenance services and other corporate services.

The deal was signed in Madrid by Ignacio Galan, Iberdrola's Executive Chairman, and Masdar's Chief Executive Officer, Mohamed Jameel Al Ramahi, as part of a wider acknowledgement agreement between the two clean energy powerhouses. Both parties consider this a strategically important transaction and a critical milestone as they strengthen their partnership to explore further renewable energy investment opportunities in a range of technologies and regions.

Baltic Eagle will consist of 50 wind turbines built on monopile foundations, each with a unit capacity of 9.53 MW. Anticipated annual production is 1.9 terawatt-hours (TWh), enough clean energy to meet the electricity demands of 475,000 homes, saving 800,000 tons of CO₂ being released into the atmosphere every year.

The wind farm, which is scheduled to come into initial operation at the end of 2024, has a minimum regulated tariff of €64.6/MWh for the first 20 years. In addition, 100% of its production has already been sold via long-term contracts.

HE Dr Sultan Al Jaber, UAE Minister of Industry and Advanced Technology, Chairman of Masdar and COP28 President-Designate, said: "When companies with long histories of pioneering clean

energy join forces, it creates lasting solutions for people and the planet. This landmark agreement between Masdar and Iberdrola will harness Germany's abundant wind power in the Baltic Sea and bring electricity to nearly half a million homes, while cutting emissions. As the UAE looks ahead to hosting COP28, partnerships such as this show how we can hold back emissions, without holding back progress."

Ignacio Galan, Iberdrola's Executive Chairman, said: "Delivering the clean energy that the world needs requires companies with vision and commitment that are willing to make major investments in new infrastructure. Masdar brings all of these qualities to Baltic Eagle. This a major project that will help to drive forward green energy security in Europe, reduce emissions for homes and businesses, and support thousands of highly skilled jobs. Building long-term partnerships with sustainable leaders like Masdar will help Iberdrola to continue leading the energy transition globally."

Dr Sultan Al Jaber and Mr Ignacio Galan met earlier this month. Ahead of the UAE hosting the UN climate change conference, COP28, they discussed the urgent need to triple global renewable energy capacity to ensure the Paris Agreement goals of limiting global temperature rises remain within reach.

In September 2022, the UAE and Germany signed an agreement to advance projects of joint interest on areas including energy security, decarbonization and climate action. The Energy Security and Industry Accelerator Agreement (ESIA) signed between the two countries involved plans for Masdar to explore offshore wind opportunities in the Baltic Sea to support Germany's clean energy goals. Today's €1.6 billion deal with Iberdrola marks a significant contribution towards that aim.

The strategic partnership between Masdar and Iberdrola will help to advance Europe's ambitious offshore wind development targets. By joining forces, the two flagship clean energy companies will share knowledge and develop innovative solutions. This can also lead to enhanced project management practices and improved operational efficiencies, which ultimately drives down costs and makes offshore wind more competitive.

Iberdrola, a leader in offshore wind

Iberdrola has 3,000 MW of offshore wind projects under construction or secured with zero seabed costs a thanks to the Group's first mover status. The company is helping to support the energy transition and job creation in its supply chain across the world.

At the beginning of July this year, Iberdrola connected the Saint-Brieuc offshore wind farm in France to the electricity grid. It is the first large-scale offshore wind project to be delivered in the Brittany region.

In addition, the Vineyard Wind offshore project in the US is expected to come on-line in the last quarter of 2023. The Baltic Eagle wind farm in Germany will be operational in 2024, with East Anglia 3 in the UK and Windanker in Germany beginning production in 2026.

These projects will add to Iberdrola's current 1,258 MW of operational offshore wind projects, including West of Duddon Sands in the Irish Sea, Wikinger in the German Baltic Sea, and East Anglia ONE in the southern North Sea.

Masdar, the UAE's clean energy powerhouse

Since 2006, Masdar has been a pioneer in advancing the clean energy sector in the UAE, the Middle East and around the world. With projects across 40 countries, Masdar is delivering more than 20 GW of clean, life-changing energy – enough to power over 5.25 million homes. Its global investment portfolio exceeds US\$30 billion and, in some cases, Masdar's projects are bringing continuous electricity to places where there was none.

Together with partners, Masdar has developed landmark renewable energy projects across continents. This includes the Middle East's first concentrated solar power plant in Abu Dhabi and the world's first utility-scale offshore floating wind farm off the Scottish coast. Masdar is also developing Southeast Asia's largest floating solar power plant and moving forward with building Africa's largest wind farm, a 10 GW mega-facility in Egypt.

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About Iberdrola

Iberdrola alliances to deliver the energy transition

In recent months, Iberdrola has closed multiple long-term alliances to promote the decarbonization of the economy:

- Iberdrola recently signed a strategic alliance with GIC for the expansion of the transmission networks in Brazil for €430 million.
- An agreement with Norges Bank Investment Management was secured to co-invest in 1,265 MW of new renewables capacity in Spain.
- The company has signed an agreement to sell 60% of its business in Mexico, mostly linked to combined-cycle plants, for \$6 billion.
- Iberdrola and MAPFRE have progressed their strategic alliance by incorporating an additional 100 MW into their clean energy joint venture in Spain, which already has 450 MW.
- Iberdrola and bp also signed a strategic alliance in March to deploy 11,700 fast charging points in Spain and Portugal.
- In addition, a few months ago Iberdrola signed an alliance with Energy Infrastructure Partners to co-invest in the Wikinger offshore wind farm and boost its offshore wind portfolio.

As Europe's largest electricity utility by market capitalization, and the second largest in the world, Iberdrola is a leader in renewables, spearheading the energy transition to a low carbon economy. The group supplies energy to almost 100 million people in dozens of countries. With a focus on renewable energy, smart networks and smart solutions for customers, Iberdrola's main markets include Europe (Spain, the United Kingdom, Portugal, France, Germany, Italy and Greece), the United States, Brazil,

Mexico and Australia. The company is also present in growth markets such as Japan, Taiwan, Ireland, Sweden and Poland, among others.

The company has a workforce of over 40,600 and assets in excess of €154.6 billion. In 2022, Iberdrola posted revenues of nearly €54 billion, net profit of €4.34 billion, with €7.5 billion paid in tax contributions in the countries where it operates. The company helps to support more than 400,000 jobs in communities across its supply chain, and global supplier purchases topped €17.8 billion in 2022. A benchmark in the fight against climate change, Iberdrola has invested more than €150 billion over the past two decades to help build a sustainable energy model, based on sound environmental, social and governance (ESG) principles.

About Masdar

Masdar alliances to deliver the energy transition

Abu Dhabi Future Energy Company (Masdar) is the UAE's clean energy champion and one of the largest companies of its kind in the world, advancing the development and deployment of renewable energy and green hydrogen technologies to address global sustainability challenges. Established in 2006, Masdar is today active in over 40 countries, helping them to achieve their clean energy objectives and advance sustainable development.

Masdar is jointly owned by Abu Dhabi National Oil Company (ADNOC), Mubadala Investment Company (Mubadala), and Abu Dhabi National Energy Company (TAQA), and under this ownership the company is targeting a renewable energy portfolio capacity of at least 100 gigawatts (GW) by 2030 and an annual green hydrogen production capacity of up to 1 million tonnes by the same year.

As one of the world's fastest-growing renewable energy companies, Masdar is committed to developing offshore wind energy. The company established a dedicated Global Offshore Wind business vertical in London which oversees the life cycle of projects from origination to development, operation and even asset management. Germany is a key market and Masdar is keen to participate in upcoming auctions to support the country's decarbonization targets. In addition, Masdar has formed several strategic partnerships to develop global integrated solutions. These include:

1. Masdar is actively involved in The Energy Security and Industry Accelerator Agreement (ESIA) between Germany and the UAE, where it aims to develop an impressive 10GW of offshore wind capacity in the North and Baltic Sea in Germany. By undertaking such a substantial project in Germany, Masdar showcases its dedication to driving the global transition towards cleaner and more sustainable energy sources.
2. Masdar has also collaborated with RWE, a prominent Germany-based energy company, to explore partnerships in key offshore wind markets. The strategic alliance will combine their expertise, resources, and technological prowess to identify and capitalize on opportunities across regions.
3. An alliance with the Azerbaijan government to develop up to 6GW of offshore wind capacity. Electricity generated by the project will serve local demand and be exported to Europe. The project will also facilitate green hydrogen production.

4. In October 2022, Masdar purchased Arlington Energy. This included the acquisition of an extensive 3GWh battery storage pipeline in the UK.