

Iberdrola signs green financing for its East Anglia Three offshore wind farm for €4.1B with 24 banks

- *The financing has been structured under a green project finance scheme, with the participation of several international entities*
- *The offshore wind farm will have an installed capacity of 1,400 MW and will be operational by the end of 2026*

Iberdrola has signed green financing for the East Anglia Three offshore wind farm for approximately £3.6B (around €4.1B).

Iberdrola signed this financing with 23 banks and the Danish Export Credit Agency (EIFO). The participating banks were: BBVA, HSBC, ING, NatWest, SMBC, MUFG, Bank of China, Crédit Agricole, CaixaBank, Santander, BNP Paribas, Helaba, Barclays, ANZ, Rabobank, FAB, ICO, Abanca, Kutxabank, Standard Chartered Bank, Bank of Ireland and CID. Crédit Agricole CIB and MUFG acted as financial advisors to the transaction and Allen & Overy acted as legal advisors to the borrower.

The transaction, which has been oversubscribed by 40%, is one of the largest of its kind closed to date and will cover a substantial portion of the total investment in the project, estimated at approximately \$5.2B.

The financing will be done through a green finance project, which is a financing structure for large projects in which the loan is granted primarily on the basis of the future revenues that the project will generate. In other words, the money is repaid from the cash that the project will generate once the project is up and running, all underpinned by shareholder confidence in its long-term asset management. The financing is made up of senior debt (approximately 70%) and shareholder equity (the remaining 30%) and is backed by long-term power sales contracts (CfDs and PPAs), giving investors certainty of future revenues. The construction has also been supported by a bridge loan granted by MUFG and Crédit Agricole.

The funds raised will be used to cover the construction costs of the wind turbines, substations, submarine cables and converter stations, both onshore and offshore. It will also finance the operation and maintenance costs prior to commercial operation, which is expected to start in the fourth quarter of 2026.

Project revenues will be supported by long-term contracts: with CfD (Contracts for Difference) contracts awarded by the UK government and a long-term power purchase agreement (PPA) signed with Amazon in 2024. This combination ensures high revenue visibility over the lifetime of the project.

East Anglia THREE, the UK's largest offshore wind project

Iberdrola and the Abu Dhabi Emirate's renewables group Masdar agreed this week to co-invest in the East Anglia THREE offshore wind farm. This transaction, worth €5.2B, is the largest offshore wind deal in a decade and the largest partnership entered into by Iberdrola. With this agreement, each company will have a 50% stake and management of the asset, which will be

key to advancing the ambitious European objectives for the development of this technology. Closing is subject to the usual third-party approvals.

East Anglia Three is being built in the North Sea, 69 km off the coast of Suffolk, UK. The farm will have 95 Siemens Gamesa wind turbines of 14.7 MW each, giving it an installed capacity of 1,400 MW.

East Anglia Three will make a significant contribution to the UK's decarbonisation targets, generating clean energy for more than 1.3 million homes and preventing the release of millions of tonnes of CO₂. It will also boost the local economy by creating jobs and developing the industrial supply chain.