

Echelon Iberdrola Digital Infra is created to invest more than 2 billion euros in data centres in Spain

- *The company is the result of the largest joint venture in Europe between an energy company and a data centres developer*
- *The new company has more than 700 MW secured and a potential portfolio of 5,000 MW*
- *The first project will be Madrid Sur, a data centre with a processing capacity of 144 MW, for which it has secured an electricity connection of 230 MW*
- *This first flagship project for Iberdrola will generate around 1,500 direct and indirect jobs and will have an estimated demand of 1 TWh*
- *With this alliance, Iberdrola consolidates its position as a leading energy partner for data centres, supplying more than 11 TWh per year to technology companies and operators around the world*

Iberdrola and Echelon Data Centres have closed their strategic alliance to build and operate large-scale data centres in Spain. *Echelon Iberdrola Digital Infra* has been created, with planned investments of more than 2 billion euros, making it the largest *European joint venture* between an energy company and a *data centre developer*.

With the completion of this transaction announced in July 2025, and after obtaining the necessary regulatory approvals, Echelon Iberdrola Digital Infra will begin its commercial activity with a focus on *hyperscale* technology companies and providers of infrastructure and services for artificial intelligence, a sector with great growth potential.

The first project of this alliance will be Madrid Sur, a 160,000 m² complex that will have 144 MW for data processing and already has a 230 MW electricity connection secured. This project will generate about 1,500 direct and indirect jobs and its estimated demand is 1 TWh. In addition, it will have a photovoltaic solar plant and additional renewable energy from Iberdrola to guarantee all its electricity consumption.

Keys to the agreement

Iberdrola will contribute its experience in renewable generation and in the development and management of large electricity infrastructures. It will be responsible for identifying and

securing land with good connectivity to the electricity grid and ensuring a 24/7 clean energy supply. For its part, Echelon will assume the permitting, design, marketing and operation processes.

The stake in the *joint venture* will be up to 80% for Echelon, the rest of Iberdrola. Iberdrola has already secured more than 700 MW in electricity connections in strategic areas near Madrid and plans new projects that could add up to 6,000 million euros of investment.

With this alliance, Iberdrola reinforces its position as a key energy partner for data centres. It currently markets more than 11 TWh to technology companies and data center operators worldwide.

Spain, European digital hub

Currently, more than 70% of data traffic to Europe passes through Spain, which consolidates our country as a strategic digital hub in Europe thanks to its fibre optic network and submarine connections. Added to this are the high availability of renewable energy at competitive costs and an advanced electrical infrastructure.

About Iberdrola

With more than 120,000 million euros in capitalisation, Iberdrola is the largest electricity company in Europe and one of the two largest in the world. The Group serves more than 100 million people worldwide and has a workforce of more than 44,000 employees and assets in excess of 160,000 million euros. In 2024, Iberdrola recorded revenues of almost 50,000 million euros, a net profit of 5,600 million euros. The company contributes nearly 10,300 million euros in tax contributions in the countries in which it operates and supports more than 500,000 jobs in its suppliers thanks to purchases that exceeded 18,000 million euros in 2024.

Since 2001, Iberdrola has invested more than 175,000 million euros in electricity grids, renewable energies, and energy storage to contribute to the creation of an energy model based on electrification. The company has nearly 1.4 million km of power grids in the United States (New York, Connecticut, Maine and Massachusetts), the United Kingdom (Scotland, England and Wales), Brazil (Bahia, Rio Grande do Norte, Pernambuco, São Paulo and Mato Grosso do Sul, as well as Brasília) and Spain, as well as 57,000 MW of capacity worldwide. of which more than 45,000 MW are renewable.

About Echelon Data Centres

Founded in 2017 and headquartered in Dublin, Echelon Data Centres is a privately held company that develops, owns and operates hyperscale data centres campuses in Europe. The company has a portfolio of more than 2 GW in Tier 1 markets such as Dublin, London and Milan.

Echelon is committed to sustainability, designing all of its campuses to operate exclusively on renewable energy, and actively supporting national decarbonization goals through innovative energy sharing initiatives. In 2024, Starwood Capital Group acquired 50% of the company through an investment of €850 million, valuing the platform at around €2.5 billion and providing significant capital for its expansion.

About Starwood Capital Group

Starwood Capital Group is a private investment firm with a core focus on real assets globally. Since its inception in 1991, Starwood Capital Group has raised over \$90 billion of capital and currently has \$120+ billion of assets under management. Through a series of comingled opportunity funds and Starwood Real Estate Income Trust, Inc. (SREIT), a non-listed REIT, the Firm has invested in virtually every category of real estate on a global basis, opportunistically shifting asset classes, geographies and positions in the capital stack as it perceives risk/reward dynamics to be evolving.

Starwood Capital also manages Starwood Property Trust (NYSE: STWD), the largest commercial mortgage real estate investment trust in the United States, which has successfully deployed over \$108 billion of capital since inception and manages a portfolio of over \$29 billion across debt and equity investments. Alongside Starwood Property Trust, Starwood Capital manages over \$5 billion in several private debt funds investing across the globe.



Starwood Capital's other affiliates include: Highmark Residential, a property management company; Starwood Digital Ventures, a platform dedicated to the firm's data center investment strategy; Starwood Hotels, a hotel brand management team; Essex Title, a title agent for one or more underwriters in issuing title policies and/or providing support services; and Starwood Oil & Gas, which seeks to capitalize on conventional and unconventional North American assets.

Additional information can be found at www.starwoodcapital.com, www.starwoodnav.reit, www.starwoodpropertytrust.com and www.starwoodhotels.com.