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(Cummins and Iberdrola logos and media contact information)



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Cummins Selects Spain for its Gigawatt Electrolyzer Plant & Partners with Iberdrola to Lead the Green Hydrogen Value Chain

Columbus, Indiana/Toledo, Spain – Global power leader Cummins Inc. (NYSE: CMI) joined today government leaders and partner Iberdrola, one of the world’s largest energy companies, to announce its plans for one of the world’s largest electrolyzer plants for the production of green hydrogen to be located in Castilla-La Mancha, Spain. This investment in Spain comes on the heels of Iberdrola and Cummins’ decision to partner together on large-scale hydrogen production projects in Spain and Portugal.

The companies have signed an agreement to accelerate the growth of business opportunities in the electrolyzer market of Iberia, promoting the green hydrogen value chain and making Spain a leader of this technology and industry. This alliance helps to position Cummins as a leading supplier of electrolyzer systems for large-scale projects in Iberia and Iberdrola as a leading developer of electrolyzer projects and hydrogen supplier to final industrial customers.

“Spain offers a strong and dynamic local environment for hydrogen production, and we are excited to invest here and significantly increase our manufacturing capacity in Europe,” said Tom Linebarger, Chairman and CEO of Cummins. “Our partnership with Iberdrola will connect us with a major clean energy company and strategically positions us to be a European leader in green hydrogen production. We believe that this is just the start of our expansion into new markets, bringing new clean technology to customers, and supporting efforts to bring the European Union’s Green Deal to fruition. As communities move toward zero emissions, this is the latest example of Cummins’ global effort to achieve carbon neutrality and accelerate the hydrogen economy.”

Ignacio Galán, Chairman and CEO of Iberdrola, said, “This initiative will accelerate the production of [green hydrogen](#) in Spain and will create a new industry, the manufacturing of electrolyzer systems, with high growth potential. We continue to make progress in our ambitious plan to put Spain and Europe at the global forefront of this technology by reducing energy dependence and fossil fuel consumption while driving the country’s economic and social revitalization.” He added, “We congratulate ourselves on the choice to locate the project in a region that we value and in which we maintain a historic presence and commitment. This joint initiative will contribute to the economic, industrial and quality employment development in the region and will reinforce its great innovative commitment to a decisive technology for the decarbonization of the industry.”

A site selection search within the Guadalajara area of Castilla-La Mancha is currently underway for Cummins’ new €50-million PEM electrolyzer plant that will house system assembly and testing for approximately 500 MW/year and will be scalable to more than 1 GW/year. The facility, which will initially be 22,000 square meters, is anticipated to open in 2023, creating 350 new jobs as production ramps up. Cummins is rapidly growing its capabilities to provide hydrogen technologies at scale, which is critical to

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the world's green energy transition through the hydrogen economy. Cummins has deployed more than 600 electrolyzers in 100 countries globally.

As part of this alliance, the 230-MW green hydrogen project in Palos de la Frontera (Huelva, Andalusia, Spain) - that Iberdrola has planned for the leading fertilizer producer Fertiberia - will become a benchmark for large electrolysis projects. Cummins will be the electrolyzer supplier for the Palos project and through the experience acquired in the project, Iberdrola and Cummins will jointly collaborate in the design of solutions for large electrolysis projects. Cummins and Iberdrola are also working on a hydrogen refueling station in Barcelona, Spain with additional partnership and broader co-operation opportunities anticipated in the future.

Cummins' ability to construct a state-of-the-art electrolyzer facility in Spain is a result of the strong support from the Castilla-La Mancha and Spanish governments. Additionally, with Spain's support, this plant and partnership will accelerate the ability of green hydrogen to play a critical role in reducing greenhouse gas and air emissions from industrial industries to meet the goals in limiting global temperature increases laid out in the Paris Agreement and the European Union's Green Deal, as well as help to deploy the Spanish and European hydrogen strategies. The plant will also enable Cummins to achieve carbon neutrality by 2050 as outlined in the company's Planet 2050 sustainability strategy.

Iberdrola has submitted 53 hydrogen-related projects to the Next Generation EU program, which would activate investments of €2.5 billion to achieve an annual production of 60,000 tn/year. The green hydrogen production capacity under this plan would be equivalent to 20% of the national target (4GW installed capacity by 2030) and would ensure that around 25% of the hydrogen currently consumed by Spain would not generate any CO2 emissions. This and related Iberdrola hydrogen projects are anticipated to fuel economic and job growth, contributing to the creation of approximately 4,000 skilled jobs across 500 local suppliers.

In Castilla-La Mancha, Iberdrola operates 2,376 MW of renewable energy -wind power and photovoltaic-, which makes it the third autonomous community with the highest 'green' megawatts installed by Iberdrola in Spain. Recently, the company has completed three photovoltaic projects in the region, totaling 150 MW, and builds Puertollano photovoltaic plant (100 MW).

About Iberdrola

[Iberdrola](#) is one of the world's biggest energy companies -third by market capitalization in the world and leader in renewables-, which is spearheading the energy transition to a low carbon economy. The group supplies energy to almost 100 million people in dozens of countries. It carries out renewables, networks and commercial activities in Europe (Spain, the United Kingdom, Portugal, France, Germany, Italy and Greece), the United States, Brazil, Mexico and Australia, and, as growth platforms, it is present in markets such as Japan, Ireland, Sweden and Poland, among others. With a workforce of more than 37,000 and assets in excess of €122.5 billion, in 2020, it achieved a turnover of €33 billion and a net profit of over €3.6 billion. The company contributes to sustain 400,000 jobs along its supply chain, with annual procurement of €14 billion. A benchmark in the fight against climate change, it has allocated more than €120 billion over the last two decades to building a sustainable energy model, based on sound environmental, social and governance (ESG) principles.

About Cummins Inc.

Cummins Inc., a global power leader, is a corporation of complementary business segments that design, manufacture, distribute and service a broad portfolio of power solutions. The company's products range from diesel, natural gas, electric and hybrid powertrains and powertrain-related components including filtration, aftertreatment, turbochargers, fuel systems, controls systems, air handling systems, automated transmissions, electric power generation systems, batteries, electrified power systems, hydrogen generation and fuel cell products. Headquartered in Columbus, Indiana (U.S.), since its founding in 1919, Cummins employs approximately 57,800 people committed to powering a more prosperous world through three global corporate responsibility priorities critical to healthy communities: education, environment and equality of opportunity. Cummins serves its customers online, through a network of company-owned and independent distributor locations, and through thousands of dealer locations worldwide and earned about \$1.8 billion on sales of \$19.8 billion in 2020. Learn more at [cummins.com](https://www.cummins.com).

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