
PRESS RELEASE

21 January 2021

Through a long-term Power Purchase Agreement (PPA) for 100% renewable energy from the Francisco Pizarro photovoltaic plant that the energy company is building in Extremadura

Iberdrola and Danone España join forces behind the creation of Europe's biggest photovoltaic plant

- With 590 MW of installed power and an investment of €300m, Francisco Pizarro will avoid the emission of over 245,000 tonnes of CO₂ a year and will contribute towards the country's ecological transition
- Danone España's suppliers, Graham Packaging and Salvesen Logística, have also joined the agreement
- The alliance reinforces Iberdrola's strategy for renewable project development in Spain through bi-lateral contracts, which support the supply of clean energy at competitive and stable prices with large customers committed to sustainable consumption
- The agreement reinforces Danone's zero net emissions commitment for 2050, with all the renewable electricity used by the company at its facilities and factories in Spain coming from this agreement

Iberdrola and Danone have joined forces in their sustainability commitments with the signing of a long-term Power Purchase Agreement (PPA), which will drive the development of Europe's biggest photovoltaic plant.

The initiative consolidates Danone's long-term renewable strategy and means that 100% of the renewable electricity used in its plants and factories in Spain will come from this solar project. The agreement reached will guarantee the long-term green supply of electricity to all Danone's Spanish production plants and its natural water sources, located in Asturias, Barcelona, Gerona, Guadalajara, Granada, Madrid and Valencia; as well as its logistics centres and offices. Danone España's suppliers, Graham Packaging and Salvesen Logística, have also joined the alliance.

The terms of the agreement reached between the two companies establish that Iberdrola will provide green energy to the 29 supply points in Danone in Spain for a period of 10 years from April 2022. The consumption to be supplied under the PPA formula will be 73 GWh/year. Danone will complete its green energy supply with another annual energy contract with Iberdrola up to 104 GWh/year.

The 100% renewable electricity supplied will come from the Francisco Pizarro project - currently the largest photovoltaic plant planned for Europe with a capacity of 590 MW - which Iberdrola is building in the municipalities of Torrecillas de la Tiesa and Aldeacentenera, in Cáceres, Extremadura. Operational in 2022, the project will see 245,000 tonnes of CO₂ emissions per year saved, it will further enhance the competitiveness of solar technology and make a significant contribution to the fight against climate change.



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The €300m project will contribute to the creation of employment - more than 1,200 workers are expected to be involved at key stages of its delivery - helping to boost local industry.

“PPAs open the door to many opportunities for the development of renewable projects that are transforming the present and future of energy in our country and contributing towards its economic recovery. Long-term power purchase agreements provide stability to investments and have become the perfect tool for the management of the electricity supply for large consumers who are committed to clean and sustainable consumption. These agreements demonstrate the competitiveness of renewables and their ability to supply energy at affordable and stable prices”, explains Ángeles Santamaría, CEO of Iberdrola España.

For Danone, the health of people and of the planet are closely connected, as reflected in their vision: “One Planet.One Health”. “Our aspiration is to progress towards a new way of doing business that takes into account not just results but also the financial and social impact of our activity”, says Paolo Tafuri, general manager of Danone Iberia. “This initiative will help us turn our ambitious environmental commitments into reality - goals that form part of our global strategy and affect our entire value chain”, he concludes.

Renewables for a green recovery

Iberdrola has extensive experience in managing PPAs throughout the world in markets including Spain, the United Kingdom, the USA, Mexico and Australia. With over 6,500 MW. Of PPAs being managed from wind and photovoltaic projects, the company works with businesses from a range of different sector, including banking, telecommunications, brewing, distribution, sports brands and pharmaceuticals.

More information: [Do you know what a PPA is, and what its major benefits are?](#)

Iberdrola is convinced that the energy transition can act as a key driver in the transformation of industry and the green recovery of the economy and employment. With this in mind, Iberdrola has launched a major investment programme totalling €75bn between 2020-2025, with the aim of doubling its renewable capacity and supporting the energy revolution that the world's major economies are facing.

Investments for Spain for the period amount to nearly €14.3bn, half of which - over €7bn - will be earmarked for new renewable projects, while €4.5bn will go towards fortifying and continuing to digitalise the electricity grids.

After 20 years promoting the energy transition in Spain, Iberdrola leads in renewable energy in the country, with an installed renewable capacity exceeding 16,700 MW at September 2020 - an amount that rises to more than 33,000 MW worldwide, making its generation facilities among the cleanest in the energy sector.

With CO₂/kWh emissions already two-thirds below the European average, the investment strategy in networks and clean energy will make Iberdrola a "carbon neutral" company in Europe by 2030.

Accelerating their sustainability goals

This alliance will help towards the achievement of Danone's sustainability commitments. Since 2007 the company has been striving to reduce its carbon footprint in its direct area of responsibility, achieving a 50% reduction since 2007 and is working on its emissions



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reduction strategy based on five targets: reducing total emissions from the company's activities by 50%

for 2030, promoting solutions for positive carbon, eliminating deforestation in our supply chain for 2020, developing resilience in our food and water cycle, and offering solutions for a healthier and more sustainable diet.

Recently the Aguas Danone division announced that it hopes to achieve the objective of zero emissions as soon as 2025. To achieve this ambitious goal it will carry out measurement, reduction and compensation projects.

Both the dairy and plant-based products division and the Aguas de Danone division have B Corp certification in Spain, which recognises those companies that meet the highest standards of social and environmental performance, transparency and legal responsibility.

About Iberdrola

[Iberdrola](#) is a global energy leader, the number one producer of wind power, and one of the world's biggest electricity utilities by market capitalisation. The group supplies energy to nearly 100 million people in dozens of countries including Spain, the United Kingdom (ScottishPower), the USA (AVANGRID), Brazil (Neoenergia), Mexico, Germany, Portugal, Italy and France. With a workforce of more than 35,000 people and assets in excess of €122 billion, it achieved a turnover of over €36.4 billion and a net profit of €3.4 billion in 2019. Iberdrola leads the energy transition towards a sustainable model through investments in renewable energy, smart grids, large-scale energy storage and digital transformation, offering the most advanced products and services to its customers. Thanks to its commitment to clean energy, Iberdrola is one of the companies with the lowest emissions and an international benchmark for its contribution to sustainability and the fight against climate change.

About Danone

With a mission to promote health by bringing food to as many people as possible, Danone is a world leader in the food industry and leads in its three business areas: dairy and plant-based products, water and specialised nutrition. In line with its "One Planet. One Health" vision, Danone believes that people's health is inseparable from that of the planet and sets out to promote healthier and more sustainable food and hydration habits. The company has a presence in 120 countries and over 100,000 employees. Danone's portfolio includes international leading brands such as Actimel, Activia, Alpro, Aptamil, Danet, Danonino, to name but a few. In 2018, Danone's turnover reached €24.7m. In Spain, Danone employs 2,000 workers, has production plants and facilities in nine Autonomous Communities, and supplies 40,000 businesses and over 11 million consumers daily. Since 2016, Danone España's dairy division has had B Corp certification for meeting the highest standards of social and environmental performance, transparency and responsibility, and aspires to use the power of business to solve social and environmental challenges.

