

PRESS RELEASE

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EIB, Spain's ICO and Iberdrola sign green facility for Europe's largest PV plant under construction, located in Spain

- **The European Investment Bank (EIB) will grant €145 million and ICO up to €140 million to finance the Núñez de Balboa photovoltaic project in Spain**
- **The new plant will have 500 megawatts capacity and will be commissioned in 2020**
- **More than 1,000 people will work on the project during its construction phase**

The [European Investment Bank \(EIB\)](#) and the [Instituto de Crédito Oficial \(ICO\)](#) will finance the development of the Núñez de Balboa photovoltaic (PV) solar plant, which [Iberdrola](#) is currently building in Extremadura (Spain). With 500 megawatts (MW) total capacity and a surface area of nearly 1,000 hectares, the plant is the largest PV project under construction in Europe. It will be able to supply clean energy to 250,000 people, more than the combined population of the cities of Cáceres and Badajoz, and will avoid the emission into the atmosphere of 215,000 tonnes of CO₂ per year.

This green finance agreement was signed in Madrid by EIB Vice-President Emma Navarro, ICO President José Carlos García de Quevedo and Iberdrola Chairman Ignacio Galán. The EU bank will lend €145 million and the ICO up to €140 million to the company's new renewable energy project, whose total investment exceeds €290 million.

Núñez de Balboa is located between the Badajóz province municipalities of Usagre, Hinojosa del Valle and Bienvenida. Commissioning is planned for 2020 and during its construction phase over 1,000 people will be employed by the project, which includes the grid connection infrastructure.

During the signing ceremony in Madrid, EIB Vice-President Emma Navarro stated: "We are very pleased to support a project that will strengthen Spanish and European leadership in the transition to a low-emission economy. Our participation proves EIB's strong commitment to climate action. The EU bank is the largest multilateral finance provider for projects that contribute to the fight against climate change, such as this one that reduces polluting emissions while generating economic growth and jobs."

The President of ICO, José Carlos García de Quevedo, has declared that "the operation signed today strengthens the support for financing investments in energy efficiency or the production of energy from renewable and non-polluting sources."

This financing is part of the ICO Group's global strategy which includes sustainability criteria to perform its activities."

The Chairman of Iberdrola, Ignacio Galán, explained that "with this new agreement we are securing our investment in Núñez de Balboa and we continue to make progress towards the objective of tripling our wind and solar capacity in Spain by 2030". The facility signed with EIB and ICO is also in line with "Iberdrola's commitment to a sustainable energy model that allows the transition to a low-carbon economy," said Galán.

EIB and climate action

As the largest multilateral provider of climate finance worldwide, the **EIB's objective is to spend at least 25% of its investments on climate change mitigation and adaptation**, supporting low-carbon and climate-resilient growth.

In 2018, the European Investment Bank exceeded its climate action target for the ninth year running, providing €16.2 billion to fight climate change, representing 29% of all its financing. Mobilising funding for the fight against climate change is a priority for the EU bank. Its objective is to lead the mobilisation of the necessary funding to keep global warming below 2°C and limit the temperature increase to 1.5°C in order to meet the objectives of the Paris Agreement.

The European Investment Bank is the **largest global issuer of green bonds** and pioneered the first bond issue in this market.

The EIB is the European Union's long-term financing institution whose shareholders are its Member States. The EIB provides long-term financing for viable investment projects in order to contribute to the achievement of EU policy objectives.

ICO and its commitment to sustainability

The *Instituto de Crédito Oficial (ICO)* is a public business institution within Spain's Ministry of Economy and Business. The ICO has become a benchmark in the financing of both SMEs and large investment projects. The ICO contributes to sustainable growth by financing the economic activities which, due to their social, cultural, innovative or environmental relevance, deserve promotion and development.

Within the framework of its current global strategy, the ICO Group has incorporated sustainability criteria into the way it performs its activities. In this regard, it is worth highlighting the recent launch of the ICO's first green bond issue for €500 million, which will be used to finance activities, investments and projects by Spanish companies that contribute to environmental protection and the fight against climate change.

In addition to being a leading issuer and catalyst for the transition of the financial and venture capital sector towards a sustainable economic development model, the ICO promotes sustainability as the cornerstone that supports all its aspects – both in its

asset and liability operations as well as in its internal organisation and functioning – and as an essential part of the Institute's Corporate Social Responsibility policies.

Iberdrola, committed to sustainable development

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 company supplies almost 100 million people in dozens of countries including Spain, the United Kingdom (ScottishPower), the United States (AVANGRID), Brazil (Neoenergia), Mexico, Germany, Portugal, Italy and France. With a workforce of 34,000 and assets in excess of €113bn, it achieved a turnover of €35bn and a net profit of €3bn in 2018.

Iberdrola is leading the transition towards a sustainable energy 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 the fight against climate change and for sustainability.

Iberdrola has become the world's largest issuer of green bonds at corporate level with nearly €10 billion.

The company has also been a pioneer in taking out green loans: in February 2017 it signed the first green loan for an energy company with BBVA, and in April 2018, in Mexico, the first operation of this type carried out in Latin America, amounting to \$500 million and \$400 million, respectively.

This joint operation between the EIB and the ICO is in addition to the two green loans recently signed by Iberdrola with both institutions to finance the Tâmega hydroelectric pumped-storage scheme in Portugal.

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