

## NOTA INFORMATIVA

*After meeting Spain's Minister for Energy, Tourism and Digital Agenda, and the heads of Castile–Leon and Asturias regional governments*

# Ignacio Galán reaffirms Iberdrola's commitment to the environment

- Galán defends that the company's application for the orderly closure of its two coal-fired power plants left worldwide is consistent with the group's determination to tackle effects of climate change by investing in clean energy sources:
  - ➔ Iberdrola is one of the first energy companies to have incorporated to its corporate governance system the fight against global warming as a priority
  - ➔ The company is a global leader in renewable energies with 28.8 GW installed capacity
  - ➔ It is one of the electric utilities with the lowest CO<sub>2</sub> emissions, having trimmed them by 75% since 2000 with plans to reduced them by a further 50% by 2030
  - ➔ Since 2001, Iberdrola has phased out nearly 7,500 MW of coal and fuel-oil generation plants while building 34,000 MW in renewables and environmentally friendly assets
- Also, it guarantees that closure of Lada and Velilla coal power plants will affect neither jobs nor security of supply nor energy prices (since their combined production represents less than 1% of Spain's total) while instead producing environmental benefits for densely populated urban areas

Iberdrola Chairman, Ignacio Galán, has reaffirmed the company's commitment to [fighting climate change](#), sustainable development and the environment at a meeting in Madrid with Spain's Minister for Energy, Tourism and Digital Agenda, Álvaro Nadal, and the heads of the regional governments of Castile-Leon, Juan Vicente Herrera, and Asturias, Javier Fernández.



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In this regard, Galán defended the consistency of Iberdrola's decision of phasing out all of its coal-fired power producing capacity worldwide, an energy source which represents just 1.8% of the group's total installed capacity of 48,062 megawatts (MW), with the strategic decision made by its governing board to fight against climate change.

On 10th November, the company filed a permit application with the Ministry of Energy, Tourism and Digital Strategy to close the coal-fired power plants in Lada (Asturias) and Velilla (Palencia). With a combined capacity of 874 MW, both assets are located in Spain and in 2016 accounted for less than 1% of the country's total power output.

Since 2001, the company has decommissioned nearly 7,500 MW of thermal power capacity (see chart below) across the globe. In 2013 and 2016, Cockenzie and Longannet, two large power plants in the United Kingdom with a combined capacity of 3,600 MW, were closed. Also, between 2001 and 2012 over 3,200 MW of fuel-oil-fired plants were phased out in Spain. Meanwhile, it has commissioned renewables and environmentally friendly assets amounting to 34,000 MW.

Closure of the two plants will affect neither security of supply nor energy prices (since their combined production represents less than 1% of Spain's total) nor the company's strong long-term commitment to job stability since 100% of the staff will be relocated. Instead the decision will produce environmental benefits for densely populated urban areas.

During the meeting, Ignacio Galán shared some figures to highlight the group's internationally recognised environmental commitment:

- ➔ Iberdrola is a global leader in renewable energies with 28,800 MW installed:
  - € 30 billion invested in renewables up to 2016 and another €9 billion planned by 2020.
  - World leader in wind energy (16 GW): number 1 in Europe, Spain and UK; number 3 in USA.
  - Driving offshore wind technology: by 2022 it will have installed 1,750 MW in Europe with a project pipeline of over 8 GW for the next decade in Europe and the United States.
  - 4,5 GW pumped hydroelectric capacity in operation and construction.



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Furthermore, Ignacio Galán reiterated that Iberdrola, together with other leading European Energy companies, recently called upon the European Commission and Parliament [to embrace higher and more ambitious binding renewable energy targets](#) for 2030 by raising the share of renewables in the final energy demand on the continent from the current target of 27% to 35%.

- Iberdrola is one of the world's electric utilities with the lowest CO<sub>2</sub> emissions:
- Since the year 2000, it has reduced by 75% its emissions in Europe
  - CO<sub>2</sub> emissions/MWh ratio is already 67% lower than peer average in Continental Europe.
  - Maintains its commitment to reduce its CO<sub>2</sub> emissions intensity by 50% in 2030 and become carbon neutral in 2050.
  - 66% of its installed capacity is emissions free.

Also, Ignacio Galán stated that Iberdrola is fully aligned with the environmental targets set by the Paris Agreement, having played an active role at the climate summits in Paris (COP21), Marrakech (COP22) and Bonn (COP23) while at the same time having incorporated to its business strategy and sustainability policy [the Sustainable Development Goals \(SDG\)](#) as defined by the UN for the 2015-2030 period.

The company has become a benchmark in [global sustainability indices](#) - DJSI, Global 100 Most Sustainable Corporations in the World, Carbon Disclosure Project- and is a global leader in ethical finance after placing €6.7 billion in nine green bond issuances and receiving a €500 million green loan.

Iberdrola pioneered the integration of combatting global warming as a priority into its corporate governance system. In 2009 it approved its [Policy against Climate Change](#) undertaking, among other measures, to support an ambitious global emissions reduction target; to promote the development of efficient technologies to bring down greenhouse-gas emissions; to advocate for an integrated and fair global emissions market while fostering the efficient and responsible use of energy involving all company stakeholders. This commitment has been incorporated to the company's by-laws as part of the social dividend as well as to the Mission, Vision and Values of Iberdrola Group.



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### THERMAL POWER PLANTS CLOSED BY IBERDROLA SINCE 2001

PLANT	TECHNOLOGY	Capacity (MW)	Closed in
<i>Escombreras 1, 2 y 3</i>	Fuel oil	300	2001
<i>Castellón 1 y 2</i>	Fuel oil	1.000	2008
<i>Aceca 2</i>	Fuel oil	314	2009
<i>Santurce 1 y 2</i>	Fuel oil	1.000	2009
<i>Escombreras 4 y 5</i>	Fuel oil	574	2010
<i>Cockenzie</i>	Coal	1.200	2012
<i>Pasajes</i>	Coal	217	2012
<i>Lada 3</i>	Coal	150	2012
<i>Aceca 1</i>	Fuel oil	314	2012
<i>Longannet</i>	Coal	2.400	2016

