

PRESS RELEASE

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Iberdrola and EIB sign a new €550 million green loan to boost smart grids in Spain

- **The project will contribute to the electrification of the Spanish economy and improved efficiency via better automation and control mechanisms, through the digitization of electrical networks**
- **The funds will be allocated to the investment plan covering this infrastructure that i-DE — Iberdrola's Spanish distributor — will develop for €1.5 billion between 2021 and 2023**
- **This investment plan will help safeguard an estimated 10 000 jobs per year during the implementation period**

The European Investment Bank (EIB) and Iberdrola have signed an agreement to support the development, modernisation and digitalisation of the company's electricity distribution networks in several Spanish regions. To this end, they have signed a €550 million green loan enabling the company to boost smart grids in Spain, contributing to greater electrification, in line with the of the Spanish and European climate neutrality target for 2050.

This agreement contributes to the development of the ambitious network investment plan that i-DE — Iberdrola's Spanish distributor — will develop between 2021 and 2023 and that amounts to €1.472 billion. Therefore, the EIB support will allow Iberdrola to improve the reliability, efficiency and security of the distribution of a renewable and sustainable energy supply.

The implementation of this investment plan of i-DE will drive the green recovery of the economy and employment, making it possible for around 10 000 jobs per year to be maintained in Spain during the implementation period, according to EIB estimates. In addition, a significant share of investments (68%) will be made in cohesion regions, in a country with unemployment rates significantly higher than the EU average.

This financing will contribute to achieving a threefold objective: meeting growth in demand (connected to electric transport and air conditioning) and production (more renewable energy and distributed generation); improving the resilience of the electricity grid to meet the challenges of climate change; and promoting the modernisation of processes related to electricity distribution infrastructure, while also taking sustainability criteria into account.

The investment programme covered by this operation contributes to the Bank's sustainable energy public policy objective, in line with the criteria of the [Climate Bank Roadmap](#). The investments will also support increased electrification in the heating and mobility sectors, in line with [Spain's National Energy and Climate Plan](#) objectives.

The EU bank is assisting this operation via a green loan, the features of which are fully in line with the requirements set out in its [climate awareness bonds](#) programme. As a result, it is likely to be allocated to its portfolio of loan operations financed via the issuance of these bonds.

About the EIB

The European Investment Bank (EIB) is the long-term lending institution of the European Union owned by its Member States. It makes long-term finance available for sound investment in order to contribute towards EU policy goals both in Europe and beyond. The European Investment Bank operates in around 160 countries and is the world's largest multilateral lender for climate action projects.

The EIB Group recently adopted its Climate Bank Roadmap to deliver on its ambitious agenda to support €1 trillion of climate action and environmental sustainability investments in the decade to 2030 and to allocate more than 50% of its financing to climate action and environmental sustainability by 2025. As part of the Roadmap, all new EIB Group operations will also be aligned with the goals and principles of the Paris Agreement from early 2021.

About Iberdrola

[Iberdrola](#) is a leading global energy utility — the third largest in the world by stock market capitalisation and leader in renewables — and is spearheading the energy transition to a low-emission economy. The group supplies energy to almost 100 million people in dozens of countries and operates its renewables, grids, and sales activities in Europe (Spain, the United Kingdom, Portugal, France, Germany, Italy and Greece), the United States, Brazil, Mexico and Australia, while maintaining platforms for growth in markets like Japan, Ireland, Sweden and Poland, among others.

With a workforce of more than 37 000 and assets of over €122.518 billion, it recorded turnover in excess of €33 billion and net profit of €3.611 billion in 2020. The company contributes to the maintenance of 400 000 jobs in its supply chain, with an annual procurement budget of €14 billion. A leader in the fight against climate change, Iberdrola has committed more than €120 billion over the last two decades to building a sustainable energy model based on sound environmental, social and governance (ESG) principles.

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