

EIB and Banco Santander to provide EUR 50m to businesses and the self-employed to improve energy efficiency

- The EIB-Santander credit line is part of the energy efficiency financing instrument funded by the European Commission to promote sustainable investments contributing to climate action.
- Under this agreement, Santander will receive technical advice from the EIB on assessing the projects eligible for financing from this credit line.

Madrid, 25 February 2019

The European Investment Bank (EIB) and Santander España are providing businesses and the self-employed with a credit line – including EUR 50m of EIB funds – for professional projects improving energy efficiency. This is a pioneering project for the Spanish financial system, developed by Banco Santander in partnership with the EIB and the European Commission.

The agreement is part of the financing instrument implemented by the European Commission to promote investments contributing to better energy efficiency and climate action (Private Finance For Energy Efficiency) and falls under Banco Santander's Responsible Banking strategy and its commitment to sustainability. Companies using this credit line will be able to benefit from the EIB's favourable financing conditions in terms of both interest rates and maturities to perform the necessary upgrades to improve their energy efficiency. It also has a technical advisory component to support and strengthen Banco Santander's capacity to assess energy efficiency projects and estimate their energy savings.

This new credit line, which will be implemented in the form of a loan or leasing, targets modernisation projects delivering energy efficiency improvements by tailoring energy use to actual real-time needs, for example by replacing inefficient lighting with LED equivalents, installing thermal insulation in roofs and facades, replacing air conditioning systems, installing thermal solar power, automating buildings and replacing conventional windows with double glazed alternatives with a thermal break. These improvements will help to cut polluting emissions and increase the use of renewable energy by facilitating the installation of solar panels, for example.

The investments will also enable companies and the self-employed to reduce their energy bills. Energy costs represent a considerable share of a company's operating expenses, meaning that investment in measures enabling more rational energy use generates significant savings of between 10% and 30% on the final energy bill. These funds can then be directed to other investments to improve businesses' quality and competitiveness.

Amounts of between EUR 10 000 and EUR 5m are eligible for financing with a maturity of between three and ten years, with the option of a one or two-year grace period depending on the financing period. The energy efficiency investment project cannot exceed EUR 10m in total.

Comunicación Externa

Ciudad Grupo Santander, edificio Arrecife, pl. 2
28660 Boadilla del Monte (Madrid) Tel.: +34 91 2895211
comunicacion@gruposantander.com
www.santander.com - Twitter: @bancosantander

The European Commission and EIB have developed a simulator for Banco Santander enabling customers to validate their project via the bank's website (www.bancosantander.es). The simulator records key information about the company, the project cost, the type of eligible investment and the current energy use. The form can be filled out in less than ten minutes, with the simulator then validating the investment and the energy savings calculations (in euros and kilowatt-hours). The final contract for the product is signed at a bank branch.

The EIB and climate action

The EIB is the multilateral institution that provides most finance for climate action worldwide. Last year, it devoted 29% of its total activity to this priority.

The EIB is the EU bank, owned by the EU Member States. It makes long-term finance available for sound investment projects in order to contribute towards EU policy objectives.

Banco Santander reinforces its commitment to sustainability

Climate change is a challenge for all of our society. This is why Banco Santander is applying its responsible commitment to promote initiatives – such as this one with the EIB – to help businesses and the self-employed to move towards a more sustainable future.

This agreement comes in addition to others that the bank has in place with the aim of contributing to the transition to a low-carbon economy.