



PRESS RELEASE

Luxembourg, 7 February 2024

EIB and Kutxabank to channel €600 million in financing to energy efficiency projects in Spain

- Under the operation, the EIB will subscribe to a Kutxabank covered bond of €300 million that will enable the financial institution to mobilise up to €600 million in financing.
- The transaction will support the construction of highly energy-efficient buildings and the renovation of existing homes.
- The operation is in line with the EIB's public policy goals and its cross-cutting objective of climate action and environmental sustainability.

The European Investment Bank (EIB) and Kutxabank have signed a covered bond purchase agreement of €300 million that will enable Kutxabank to mobilise up to €600 million in financing. This operation will boost investment in green projects linked to energy-efficient construction in Spain.

The investments will cover energy-efficient construction and renovation projects that meet sustainable criteria. They will be made possible through financing in the form of green mortgage loans, consumer loans and promoter loans that Kutxabank will offer on the market.

The project will make a notable contribution to climate change mitigation. Energy efficiency measures help to reduce carbon emissions and air pollution, and to improve comfort and air quality in buildings, all while lowering electricity and heating bills.

The operation is in line with the EIB's public policy goals of sustainable energy and natural resources, and sustainable cities and regions, and its cross-cutting objective of climate action and environmental sustainability. In Spain, the project will also help to achieve the country's targets for reducing primary energy consumption and renovating buildings under the 2021-2030 integrated national energy and climate plan.

A proportion of the funds will be invested in regions of Spain that the European Union classifies as less developed, where per capita income is less than 75% of the EU average. This highlights the EIB's commitment to strengthening economic, social and territorial cohesion in the European Union.

The agreement was endorsed at a meeting in Luxembourg between Jean-Christophe Laloux, Director General, Head of EU Lending and Advisory of the EIB, and Antón Arriola, president of Kutxabank.

"We are delighted to join forces with Kutxabank on a project that will promote more energy efficient housing in Spain," said **Jean-Christophe Laloux, EIB Director General, Head of EU Lending and Advisory**. "This will be the EIB's first covered bond transaction that is 100 percent in line with our climate and environmental sustainability criteria."

Antón Arriola, president of Kutxabank, added that "the agreement is in line with one of our strategic objectives, which is to redirect capital flows towards sustainable investments, accompanying our clients

in their transition towards business models with lower CO₂ emissions. To this end, we offer sustainable financing products that incorporate environmental, social and governance criteria.”

This marks a new chapter of collaboration between the EIB and Kutxabank, following the last transaction signed by the two entities in 2015. This operation is different from previous ones though as it is the first agreement that is entirely devoted to green projects.

Background information

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.

The European Investment Bank Group (EIB Group), consisting of the European Investment Bank (EIB) and the European Investment Fund (EIF), [reported total financing of €11.4 billion signed in Spain in 2023](#). Overall, the EIB Group signed [€88 billion in new financing in 2023 for more than 900 projects](#). These commitments are expected to mobilise around €320 billion in investment, supporting 400 000 companies and 5.4 million jobs.

Kutxabank

Kutxabank is the leading bank in the Basque Country and Cordoba. It has close to 700 branches, the most widespread branch network in its home territories and a significant presence in Andalusia, Madrid and Catalonia. With a team of more than 5,000 professionals, Kutxabank is, according to European supervisors, the most solvent bank in our financial system and the third institution with the best risk profile in Europe.

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