

PRESS RELEASE  
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## **REPSOL FOUNDATION PURCHASES 20% OF GNE FINANCE TO PROMOTE ECO-SUSTAINABLE HOME RENOVATIONS IN SPAIN**

- GNE Finance provides affordable financing and personalized technical support for energy efficiency, renewable energy, and water conservation improvements to make homes more sustainable.
- The company focuses on both environmental and social impact, providing opportunities for professional development and employment to vulnerable populations, as well as ensuring affordable financing so even people with limited resources can renovate their homes.
- This investment was structured through Repsol Impacto Social, a 50 Million Euro social impact investment fund created by Fundación Repsol to develop a network of social enterprises promoting the energy transition with a focus on including vulnerable populations in Spain and Portugal.
- This is the third investment for Repsol Impacto Social, which has previously invested in Sylvestris, a social company devoted to forest restoration and rural development, and in Koiki, a sustainable mobility company.
- In 2020, GNE Finance will roll out several residential renovation programs in Catalonia and the Basque Country regions of Spain. Starting in 2021, it will expand regionally within Spain as well as internationally to other parts of Europe. GNE Finance aims to issue more than 12,000 loans by 2025 resulting in over 12,000 tons of CO<sub>2</sub> savings per year and generating 5,000 local jobs.

Through its social impact investment fund, Repsol Impacto Social, Fundación Repsol acquired 20% of GNE Finance, which offers affordable financing and personalized renovation support to improve energy efficiency and sustainability of residences, while lowering energy bills and increasing home comfort. GNE Finance aims its services directly at homeowners and contributes to the regeneration of communities by engaging with local stakeholders to make homes and apartment buildings more livable and attractive.

In addition to financing energy renovations, loans can fund accessibility measures and structural safety improvements. More than half of all Spanish buildings are older than 50 years old and responsible for the highest CO<sub>2</sub> residential emissions in the country.

Fundación Repsol's investment in GNE Finance will dramatically accelerate its roll-out of high impact eco-sustainable home renovation programs in Spain and Europe and create a positive impact where it

matters most: right within people's homes. By improving the comfort and energy efficiency of homes and apartment buildings, GNE Finance creates tangible positive change: alleviating energy poverty, mitigating social inequality, improving the overall environment, and creating local jobs.

This investment is made by Repsol Impacto Social, a 50 Million Euro social impact investment fund established by the Fundación Repsol to develop a network of social enterprises focused on promoting the energy transition and inclusion of vulnerable groups. This is the third investment for the fund, after acquiring parts of Koiki and Sylvestris.

GNE Finance, founded in Barcelona in 2016, offers innovative financing which covers all up-front costs of home renovation such as energy audits and preliminary assessments, with long-term repayments of up to 25 years.

The combination of innovative financing with personalized homeowner support results in lower post-renovation energy bills, resulting in energy savings offset the costs of the home renovations.

GNE Finance's business model takes inspiration from the US PACE (Property Assessed Clean Energy) program. In the U.S., PACE funded more than 6 Billion Dollars in sustainable home and commercial building renovations over ten years. Founded in late 2016, in 2018 GNE Finance received support from the European Union's Horizon 2020 research and innovation program, enabling the development of its first eco-sustainable home renovation pilot program in Olot (Girona, Spain).

### **A Company with Environmental and Social Impact**

GNE Finance generates high social, economic, and environmental impact, aligned with the UN's Sustainable Development Goals. Home renovation is essential in the fight against climate change because it delivers a reduction in greenhouse gas emissions and energy consumption which is a priority of the EU and national governments.

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People are at the center of GNE Finance's business model. GNE Finance works alongside public authorities to include vulnerable populations with limited resources in its initiatives. Affordable financing, complemented by technical advice and training for energy services contractors, will maximize energy efficiency and energy savings, while improving well-being and health of the inhabitants.

### **Repsol Impacto Social: Initial Investments**

This past July, Fundación Repsol set in motion a 50 Million Euro social impact investment program aimed at investing in and developing a portfolio of social enterprises to overcome the global challenge posed by the energy transition and to create professional opportunities for vulnerable populations in Spain and Portugal. Priority is given to emissions reduction, sustainable mobility, circular economy, energy efficiency, and ecological products and services and the foundation aims to be involved in the development of these companies to help them grow and become profitable.

The first investment made through the program was the purchase of 25.4 % of Koiki, a network of urban micro-centers designed for last-mile sustainable distribution, which creates employment for vulnerable populations.

Through Repsol Impacto Social, Fundación Repsol also bought 21.39% of Sylvestris' capital, a social company devoted to forest restoration, rural development, vertical gardens, and environmental consultancy which generates employment for people in vulnerable situations.

In both cases, the companies generate social impact by hiring people at risk of exclusion - one of the pillars of the Repsol Impacto Social.

Through Repsol Impacto Social's fund, Repsol and Fundación Repsol have made inroads into the social impact investment sector - not widely developed in Spain until now - to establish Repsol as a benchmark company in terms of social investment in Spain.

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