



# EIB EE Loan Hotel Eficiente

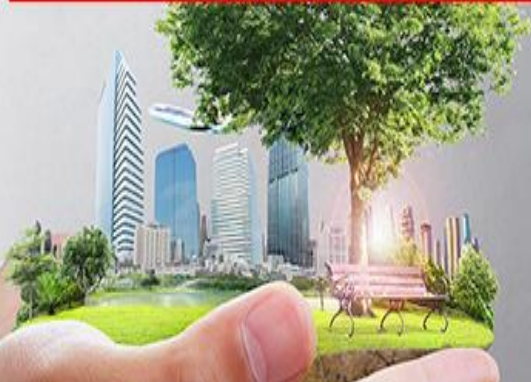
Improving the energy efficiency in hotel establishment  
PF4EE



# LÍNEA BEI Hotel Eficiente

Financiación de inversiones que mejoran el ahorro y eficiencia energética

EXCLUSIVO BANCO SANTANDER



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# Banco Santander Overview in Spain

Top 3 in customer funds, corporate loans and private banking

Highlights 1Q'17

	Branches	2,881
	Employees	22,900
	Loyal customers (millions)	1.4
	Digital customers (millions)	2.8
	Gross loans*	150,703
	Customer funds*	228,917
	Attributable profit*	362
	Contribution to Group's profit	15%

\* Million euros

Note: Loans excluding repos. Funds: deposits excluding repos + marketed mutual funds

## STRATEGIC PRIORITIES

Profitable growth

Bank of choice for corporates

Improve efficiency and customer experience

Best bank to work for



Hola Apple Pay

Llega Apple Pay de la mano del Santander para que pagar sea así de fácil.



# Sustainability in Banco Santander

We have a defined **sustainability governance structure** that enables the involvement of all **business and support areas** in the main countries where the Group operates



## CLIMATE FINANCE

Financing the transition to a low carbon economy



### Project finance

Renewable energy and energy efficiency financing



### Lease finance and operating leases



### Financing of electric vehicles, hybrids and low CO2 emission vehicles

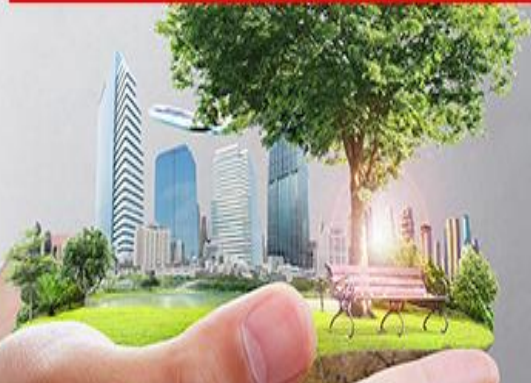


### Sustainable agriculture and livestock financing

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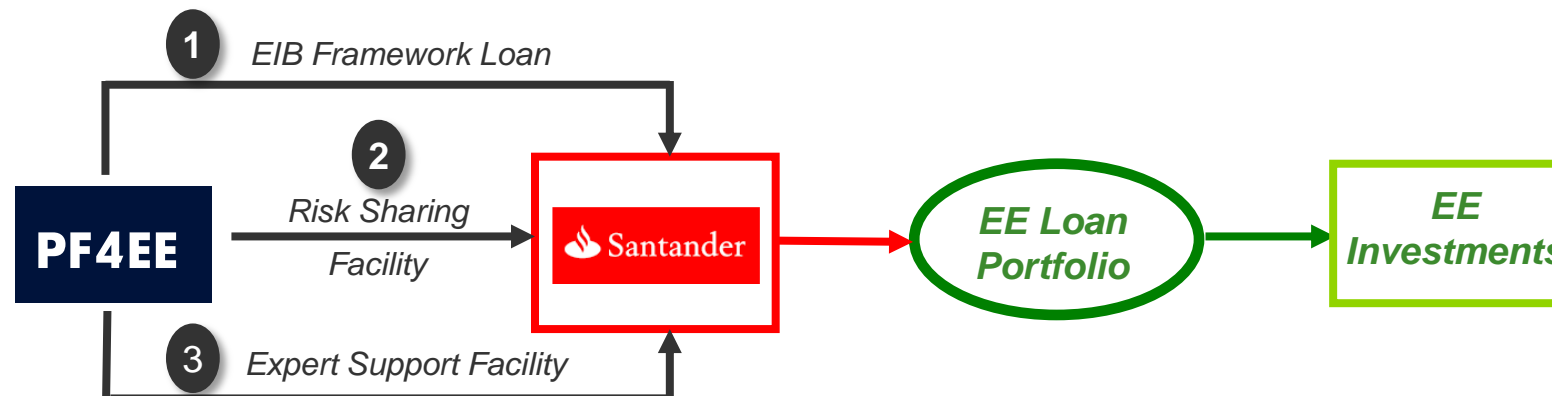
4 Financing Instrument for EE in the Hotel Sector

# PF4EE Objectives

- To make energy efficiency lending a more sustainable activity across European financial institutions
- To increase the availability of debt financing to EE investments

PF4EE  
comprises three  
components

- 1 A **loan** to the financial intermediary to be used for financing of energy efficiency investments (*"EIB Framework Loan"*)
- 2 A **risk mitigation** mechanism which covers losses incurred in the portfolio of EE loans granted by the financial intermediary (*"Risk Sharing Facility"*)
- 3 **Consultancy services** aiming at supporting the financial intermediary to create the above mentioned EE Loans portfolio (*"Expert Support Facility"*)



## PF4EE Facility

### EIB EE Loan

- ✓ A loan to be on-lent to EE borrowers
- ✓ Up to 75% financing of EE Loans (vs 50% EIB standar)
- ✓ Transfer of financial value added to EE borrowers

### Risk Sharing Facility

- ✓ Risk Sharing Facility provides “cash collateral” to financial intermediary to cover losses incurred in relation to the EE loan portfolio
- ✓ It will cover up to 80% (“Collateral Rate”) of losses on a “loan by loan” basis, up to a maximum amount (“Collateral Cap Amount”)
- ✓ Funds will be deposited in the “Collateral Accounts” proportionally to the build-up of the EE Loan Portfolios

### In Banco Santander...



**50MM€ to target energy efficiency and small renewable energy investments** mainly in **hotels** and to a lesser extent in other buildings for touristic lodging

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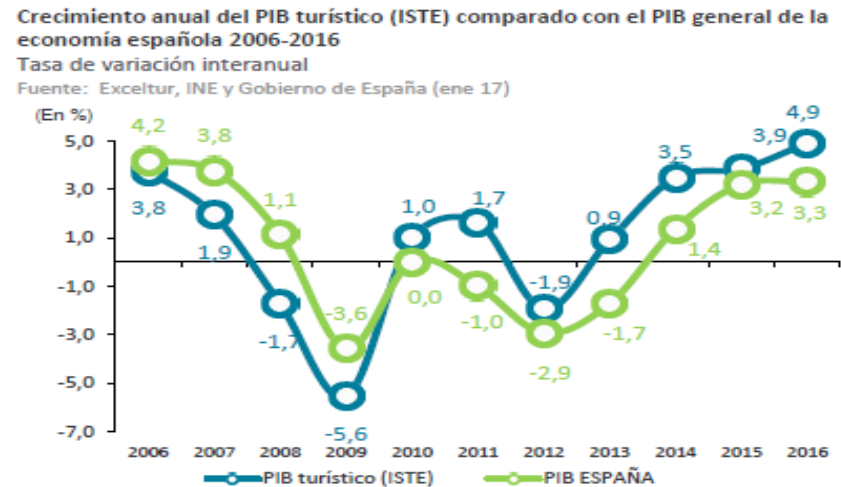
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# Spanish Tourism Industry Indicators

Spain is the third world tourist destination (after France and USA)

- ✓ Tourism GDP grows at 4,9% (vs 3,2% national GDP)
- ✓ The participation of tourism in the Spanish economy amounts to 11.2% of GDP



## Hotel capacity in Spain <sup>1</sup>

- ✓ Number of hotels: 13.548
- ✓ Number of rooms: 613.122

1. Fuente. Instituto Nacional de Estadística (INE)

2. Fuente. Ministerio de Energía, Turismo y Agenda Digital

## Activity volume

- ✓ 75,3 million international tourists in 2016 with an increase of 9,9% over the previous year <sup>2</sup>
- ✓ Average billing per occupied is 78,3 euros in Mach 2017, an increase of 4,3% compared to the same month in 2016 <sup>1</sup>

1. Fuente. Ministerio de Energía, Turismo y Agenda Digital

2. Fuente. Ministerio de Energía, Turismo y Agenda Digital

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# Línea BEI Hotel Eficiente

Product  
Launch  
21<sup>st</sup> March



**Banco Santander** in collaboration with the European Investment Bank (EIB) has developed a new product to support and finance **energy efficiency** projects in the Spanish hotel and tourism industry



### Beneficiaries

Hotels, Hostels and Bed & Breakfast



### Elegible Amounts

Up to 100%<sup>1</sup> of the energy efficiency project

minimum: 10.000 €  
maximun: 5.000.000 €



### Finance Conditions

- Preferential rates
- Loan or Lease option
- Available over terms of 3 to 10 years

## Energy Efficiency Financing Possibilities<sup>2</sup>

Efficient LED lightning Occupancy and presence detectors Natural gas or biomass condensing boiler Efficient inverted chiller High efficiency heat pumps Water saving aerators in the taps Thermostatic valves for radiators Insulation of windows High efficiency appliances Solar thermal system...

1. Subject to Bank approval  
2. Not eligible for financing: VAT, normal maintenance activities, purchase of land or real estate investment and construction of new buildings

# Línea BEI Hotel Eficiente

Our main objective was to design a financial solution ...



Agile and Simple  
for our  
**customers**

*For investment projects up to 500.000€<sup>1</sup>  
it will only be necessary to provide  
proforma invoices, budgets or the  
seller's offer for loan application*



Efficient and quick  
application procedure  
for our **branches**

*A simple, brief one-page checklist for the  
branches that in combination with an  
efficient workflow determines the  
elegibility of the project*



**Digitalisation** and  
automation of **energy**  
**savings**

*Implementation of an online tool that  
verifies the elegibility of the loan and  
compiles all the reporting requirements*


# Línea BEI Hotel Eficiente

## Best practices

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### Considering ...

- ✓ The product was aimed for SME and small projects (<500.000)
- ✓ Mass distribution in our more than 3.000 branches in Spain
- ✓ We are not energy experts

- 1 Target an specific sector
- 2 Identify standard EE measures
- 3 Agile and simple application procedure
- 4 Brief and easy investments guide for clients 
- 5 Automation of the energy savings calculations

# ¡¡Thank you very much!!

Our purpose is to help people and businesses prosper.

Our culture is based on the belief that everything we do should be

**Simple** | **Personal** | **Fair**

