

Press release

October 30, 2019

Siemens Gamesa pioneers the green foreign exchange hedging market

- **In a landmark deal arranged with BNP Paribas, Siemens Gamesa has launched a notional total of €174 million in FX hedging contracts for 'sustainable' transactions**
- **This operation will help mitigate the FX exposure of selling offshore wind turbines in Taiwan and contributes to the UN's Sustainable Development Goals**

Siemens Gamesa Renewable Energy (SGRE) has arranged sustainable FX hedging contracts, totalling €174 million in a landmark operation coordinated with BNP Paribas. It represents another significant step in the company's commitment to sustainable development across all of its activities.

These are the first FX hedging deals to be arranged under BNP Paribas's new sustainable derivatives platform linked to the United Nation's Sustainable Development Goals (SDG), through which Siemens Gamesa has converted a notional total of €174 million in FX hedging deals to 'green' transactions. The derivatives are used not only to hedge the FX exposure of selling offshore wind turbines in Taiwan, they also have an impact on the SDG targets related to 'Climate Action', and 'Affordable and Clean Energy'.

The company continues to record new milestones in its sustainable development strategy, having already raised €1.25 billion in 'green' transactions that contribute to the SDG programme.

Recently, in another deal arranged with BNP Paribas, the company converted a €240 million guaranteed credit line into a 'green' line and signed an additional line for €110 million. That €350 million is in addition to the €900 million in guarantees arranged with another bank.

David Mesonero, CFO at Siemens Gamesa, said: "We are taking the lead in green finance, and proving that sustainability can be present in every step we take as a Company. This operation hedges foreign exchange risk in a key market for us, and contributes to mitigating the effects of climate change at the same time. By walking our talk we're leading the way for more and more companies."

Amine Bel Hadj, Global Head of Sustainable Finance for Global Markets at BNP Paribas, said: “This sustainable FX hedge illustrates BNP Paribas’ continued strength as an industry leader in sustainable finance. Our pioneering and innovative structuring capabilities across rates and FX support our clients in the energy transition and help accelerate the UN SDGs. To accompany Siemens Gamesa’s sustainable journey, the bank is providing this hedge of the FX exposure attached to a renewable project, as well as committing to reinvest any premium in a reforestation project.”

Alberto Sarricolea, Head of Corporate Coverage at BNP Paribas Spain added: “Spain is at the forefront of the sustainable trend and BNP Paribas feels proud to continue supporting sustainable champions like Siemens Gamesa with innovative positive impact solutions.”

The FX hedging deals will direct premium payments towards financing Forestry Projects. These Sustainable Initiatives include plantation projects in Spain, which have a forest preservation objective.

Siemens Gamesa Environmental, Social and Governance (ESG) strategy conceives global development to be underpinned by economic growth, social welfare and environmental protection. The company is committed to driving this global process forward and contributing to the achievement of SDGs and related objectives. We create scalable technology solutions for solving global problems and generate benefits while benefiting society as a whole.

With over 95 GW of installed wind capacity, Siemens Gamesa contributes to cutting emissions of CO₂ by 247 million tons per year, the equivalent of planting 4 billion trees. The company also supports global climate protection goals and has adopted the global initiative to decarbonise economies. It has committed to be carbon-neutral by 2025, by replacing conventional emission-intensive power sources with renewable energies in its operations.

Siemens Gamesa is a member of prestigious international sustainability indexes, such as Dow Jones Sustainability Indices®, FTSE4Good® and Ethibel Sustainability Index®.

About Siemens Gamesa Renewable Energy

Siemens Gamesa is a global leader in the wind power industry, with a strong presence in all facets of the business: offshore, onshore and services. The company's advanced digital capabilities enable it to offer one of the broadest product portfolios in the sector as well as industry-leading service solutions, helping to make clean energy more affordable and reliable. With more than 95 GW installed worldwide, Siemens Gamesa manufactures, installs and maintains wind turbines, both onshore and offshore. The company's orders backlog stands at €25.1 billion. The company is headquartered in Spain and listed on the Spanish stock exchange (trading on the Ibex-35 index).

About BNP Paribas

BNP Paribas is a leading European financial institution with a presence in 72 countries and four domestic markets in the Euro area: Belgium, France, Italy and Luxembourg. The Bank has more than 200,000 professionals and key positions in its main areas of activity: Corporate and Institutional Banking, International Financial Services and Domestic Markets. In Spain, BNP Paribas is the leading international bank in terms of earnings and assets. With its more than 4,300 professionals, the Group provides financing, investment, savings and insurance services to 1,750 corporate clients and 2,700,000 private clients in Spain. The Group has an ambitious Corporate Social Responsibility policy whose objective is to generate a positive impact on society and it is committed to working with its clients and partners to accelerate the energy transition, as well as to promote entrepreneurship, favour the inclusion of young people in society and allocate resources to improve the urban, social and cultural environment of the regions where it operates.

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