



Investment Committee of the InvestEU Fund

Meeting IC 43 of 10-11 July 2025

Day 1 on 10 July Foyer Européen, Room Schuman - 10 rue Heinrich Heine,
Luxembourg (Gare)

Day 2 on 11 July Mercier-Post building, Room Arena - 20 rue de Reims,
Luxembourg (Gare)

Draft Conclusions

SENSITIVE*: GROW.C.3

NAVIGATOR DECARBONISATION AND EE PLAN (PT)

INVEU-ICR-0060-2025 - Sustainable Infrastructure Policy Window (SIW)

Short description of the financing or investment operation and its objectives

Name of financial recipient	THE NAVIGATOR COMPANY, S.A.
Type of the final recipients	Large Corporate
Countries of Implementation	Portugal
Implementing Partner	European Investment Bank (EIB)

The operation consists of an investment loan (corporate financing) offered on an unsecured basis to The Navigator Company, for a tenor of 12 years with a three-year grace period and for an amount of up to EUR 80m to be signed and/or disbursed in several tranches. The Project consists of multiple investment schemes in environmental upgrades and modernisation of existing pulp, paper and packaging facilities in Portugal that will be implemented during 2024-2026. The Project will focus on renewable energy (biomass, solar) and energy efficiency measures, as well as other enabling activities that will support Promoter's Decarbonisation Plan. These will include, inter alia, new biomass boilers and biomass cogeneration plants, new photovoltaic installations, limekilns' upgrades to convert from fossil fuels to biomass use, as well as other energy efficiency and environmental upgrades of pulp, paper and packaging lines.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 10 July 2025 for the above-mentioned operation.

Additionality

This operation falls under the Special Activities risk profile of the EIB, as such it has a higher risk profile also because the risk profile of the borrower is assessed as a sub-investment grade one. Moreover, given the exposure of the Bank to TNC, without the InvestEU guarantee, the Bank would not be able to extend such a sizeable loan to the Promoter due to exceeding the counterparty exposure limit.

The EIB financing is extremely important to the client, as it is highly complementary to its traditional financing sources and because it diversifies the client's financier base. TNC operates in a cyclical industry, therefore EIB's involvement provides some stability to the funding structure, due to its countercyclical nature. Furthermore, the longer tenor together with a long availability period (to match the funding to the needs of the investment plan) and flexible disbursement conditions make EIB's offer more attractive. The financing of such investment plan dedicated to decarbonisation on a high-emitting sector, sends a clear signal to the market about the need to scale up investments. of this kind. The EIB would not be

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able to provide such type of financing support during the period in which the EU guarantee can be used, or not to the same extent, without InvestEU.

Market gap

The Project aligns with the EU Green Deal, the EU Forest Strategy, the EU Bioeconomy Strategy, the EU Circular Economy Action Plan and the Zero Pollution Action Plan. The financing addresses market failures by supporting investments from a European pulp and paper industry player, generating significant environmental benefits and technological advancements. These include reducing fossil fuel use, increasing energy efficiency, minimizing water pollution and chemical usage, and Improving resource efficiency. It also indirectly supports RDI activities, which generate significant positive knowledge and technology externalities, through the creation of processes with lower environmental impact, and through skills development and upgrading. Additionally, part of the Project will support the production of Innovative bio-based products (moulded pulp) to replace fossil-based plastic packaging. Finally, the financing addresses the financial market failures for Investments in innovation and energy efficiency within the capital- intensive pulp and paper Industry, which stem from limited access to long term and higher financing Pillar.