



AESC UK Plant 2 Project Finance Deal Factsheet

Deal information



Map data: © ONS Geography • Created with Datawrapper

Deal announced	April 2025
Sector	Supply chain
Location	Sunderland
Counterparty	AESC Plant 2 LTD ⁱ
NWF Finance	£272m
Total Cost	£1,500m
Product	Guarantee

Summary: The National Wealth Fund will guarantee £272m to finance AESC's second EV battery manufacturing plant adjacent to the Nissan Factory in Sunderland. This transaction follows the bridge finance in January 2024 to help Envision through to the project financing. The project supports both our climate change and local economic growth objectives by enabling car manufacturers to transition from internal combustion engine (ICE) vehicle manufacture to EVs and creating and supporting jobs in the automotive manufacturing sector in Sunderland and across the UK.

Sector Context: The Government's Zero Emission Vehicle Mandate requires the sale of new petrol and diesel cars to phase out by 2030 with hybrid vehicles sold until 2035. This project will support UK car manufacturers in reaching these minimum targets or their own more ambitious targets. This part of the UK's priorities to decarbonise road transport, a typically hard to abate sector for the UK since 1990.

EV supply chain projects fall within one of the NWF's five priority sectors.

Impact and Additionality: Once operational, the project can deliver up to 15.8GWh/annum of EV battery manufacturing capacity, a 6-fold increase on current UK EV capacity. Initially the plant is expecting to produce enough batteries for 100,000 EV cars. The plant will produce approximately 4.7m tonnes CO₂e of GHG emissions over its lifetime. It will however help decarbonise the UK transport sector by enabling EV cars to replace petrol and diesel cars.

This project will create 676 new full-time jobs, and safeguard a further 350 existing full-time jobs, in Sunderland.

Evidence from our market analysis, and feedback we have received as the transaction has progressed, shows that NWF financing is needed to ensure that the operational benefits of the plant are realised.

ESRG considerationsⁱⁱ: This project aligns with NWF's ESRG frameworkⁱⁱⁱ

Impact Metrics

2	# Deals in the Gigafactories sector
£472m	Total investment in sector
1,026	Jobs created and supported ^{iv}
£425m	Private finance mobilised
100,000	Electric vehicle batteries per year
20m	Tonnes of carbon emissions saved over lifetime ^v

ⁱ Washington Road, Sunderland, Tyne & Wear, SR5 3NS

ⁱⁱ By partnering with us, companies agree to reference ESG best practice guidance and report on their: Environmental, social, resilience and governance (ESRG) approach: we will assess how projects manage their direct and indirect environmental and social impact, the resilience of their projects and the robustness of their ESRG governance structures. Material climate and environmental-related financial risk: we will check projects

have incorporated the relevant recommendations of the Taskforce on Climate-Related Financial Disclosures (TCFD) and the International Sustainability Standards Board.

ⁱⁱⁱ Our framework is published [here](#)

^{iv} 676 jobs created and 350 jobs safeguarded.

^v Project Ekins emissions savings are calculated using a new emissions methodology that captures enabled impacts of NWF investment. In this case, EV cars replacing ICE cars that use the factories batteries. Further comment on the methodology change will be in the 2024/5 Annual Report and Accounts.