

Environmental and Social Data Sheet

Overview

Project Name: *IBERDROLA INNOVATION & SUSTAINABILITY*
 Project Number: *2020-0411*
 Country: *Spain*
 Project Description: The project is an investment programme of selected investments in Research, Development and Innovation (RDI) in the promoter's strategic business areas over the period 2020-2023, developing innovative and sustainable technologies and initiatives in the fields of:

- i) renewable energy sources and technologies for the integration of a renewable mix,
- ii) innovative customer smart solutions (in retail) and digital innovation.

The investments are intended to develop the promoter's range of technologies, products and services, and to transform existing products into innovative ones as well as increase operational efficiency and excellence. The RDI activities will all be carried out in existing R&D facilities at several locations in Spain.
same as info in Serapis (please check/update in line with description in Board Report)

EIA required: no
 Project included in Carbon Footprint Exercise¹: no

Environmental and Social Assessment

Environmental Assessment

The project activities are not specifically covered by Annexes I & II of EU Directive 2014/52/EU amending the Directive 2011/92/EU and therefore not subject to mandatory Environmental Impact Assessment. Furthermore, the proposed investments will take place inside buildings at R&D facilities already being used for similar activities without changing their already authorised scope. An Environmental Impact Assessment (EIA) is therefore not required under Directive 2014/52/EU amending the Directive 2011/92/EU.

The outcome of the R&D project is expected to have positive impact on the environment, improving the environmental performance of the promoter through the deployment of renewable energies, pilots and innovative digitalization schemes, which will ultimately lead to an increase of market uptake of carbon-free products and services by retail customers.

Reducing the environmental impact of its operations - such as the generation of energy with renewable energy sources, the commencement of biodiversity programmes, efficiency in operations, which entails a sustainable use of natural resources, the prevention of pollution, and the appropriate management of waste generated by activities - is part of the Group's

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO2e/year absolute (gross) or 20,000 tonnes CO2e/year relative (net) – both increases and savings.

Luxembourg, 4th November 2020

declared strategy. The Group also attempts to make a rational and sustainable use of water and to manage the risks associated with its scarcity.

The promoter has a Global Environmental Management System implemented in accordance to UNE-EN ISO 14001:2004 standard, certified by the Spanish Standardisation and Certification Association (AENOR) enabling environmental risks to be minimised. The certification applies to all activities of generation, transmission, distribution and sales of electricity, as well as for distribution and sale of gas in Spain.

Other Environmental and Social Aspects

The Group continuously strengthens its commitment in the area of social responsibility in all of the countries in which it does business, comprising its customers, employees, and suppliers, promoting mechanisms for dialogue and communication and taking measures to facilitate economic and social development, as well as fostering employment and supply chain policies.

The Group is certified OHSAS 18001 or equivalent; healthcare programs are in place and education on occupational health and safety, fire safety, and environment management training are regularly provided to the employees. The occupational health and safety management systems of the Group in Spain, the United Kingdom, Mexico, and Brazil, in addition to those of the Renewables Business in Portugal, Hungary, Romania, and Italy, have OHSAS 18001:2007 certification. In the US of America, Iberdrola USA has specific procedures and programmes, while work is also under way to develop an occupational risk prevention management system based on the OHSAS 18001 standard.

Conclusions and Recommendations

The project activities will be carried out in existing R&D facilities that will not change their already authorised scope due to the project. An EIA is therefore not needed as per Directive Directive 2014/52/EU amending the Directive 2011/92/EU.

The outcome of the R&D project is expected to have positive impact on the environment, improving the environmental performance of the promoter through the deployment of renewable energies, pilots and innovative digitalization schemes, which will ultimately lead to an increase of market uptake of carbon-free products and services by retail customers. In the light of the above, the project is eligible for the Bank's financing from the environmental point of view.