



Luxembourg, 07 December 2021

Environmental and Social Data Sheet

Overview

Project Name:	ROLLING STOCK RDI AND DIGITL TRANSFORMATION
Project Number:	2021-0573
Country:	Spain
Project Description:	Financing the promoter's 2021-2024 rolling stock RDI, its digital transformation and other expansion investments.
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

The research and development activities and manufacturing of rolling stock will be carried out in existing facilities already covered by environmental permits and will not change their scope due to the project. An Environmental Impact Assessment is therefore not needed as per Directive 2014/52/EU (amending the EIA Directive 2011/92/EU). A portion of the project entails fixed capital investments in machinery and equipment, to be installed in existing production facilities and within the promoter's existing scope of production. These investments will therefore also not require an EIA or additional environmental authorisations.

The promoter's Environmental management System is certified ISO 14001 since 2007 by AENOR for all its business activities, namely design, manufacturing and maintenance. It is implemented and certified by an independently accredited body. The relevant certifications have been obtained for all manufacturing and R&D centres: (i) Las Matas II (manufacturing and design) and (ii) Rivabellosa (manufacturing). The operations are also certified according to ISO 9001 and 27001 and both the manufacturing (2010) and maintenance (2012) operations are ISO TS 22163IRIS (International Railway Industry Standard, IRIS) certified.

In addition to complying with the applicable legislation and regulations, Talgo has established a set of environmental indicators that it monitors on a regular basis, including: the consumption of energy, water, diesel and natural gas, the environmental accident rate, the management of expired products, the management of waste generated and the consumption of solvents and paints.

With reference to the new product developments, the promoter has in place an "Environmental Roadmap", which foresees (i) the systematisation of processes to develop LCA (Life Cycle Assessment) and EPD (Environmental Product Declaration), (ii) the analysis of environmental

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.



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impact and economic cost (i.e. analysis of Environmental Impact and Cost Analysis during whole life cycle) and (iii) the eco design (i.e. reduction of energy consumption, minimisation of material and weight, optimisation of the production techniques and design focused on 3R's principles: Reduce, Reuse and Recycle).

Other Environmental and Social Aspects

The promoter considers permanent improvement of safety as priority; for this purpose, it has established a Safety Prevention Service that takes on four fundamental responsibilities: (i) Safety, (ii) Hygiene, (iii) Ergonomics and Psycho-sociology and (iv) Medicine at Work. In addition to this, each work centre has its own prevention technicians who make sure that all the requirements on the subject of safety are fulfilled, supported by periodic inspections and revisions, certifying the fulfilment of the standards that promoter demands in all the areas of the company. Finally, as regards the project, a portion of the promoter's RDI activities will be devoted to reducing the weight of rolling stock and minimising aerodynamic noise, aimed at improving energy efficiency and reducing environmental impact.

Conclusions and Recommendations

The project concerns investments related to the research and development and to the manufacturing of rolling stock and systems that are not specifically listed in the EIA's directive Annex I or II. The project activities themselves aim at further developing rail technologies and sustainable transport. On this basis, the project is acceptable for financing by the Bank.