



Luxembourg, 27.04.2022

Environmental and Social Data Sheet

Overview

Project Name:	ACCIONA ENERGY WATER & CONSTRUCCION R&D
Project Number:	2021-0580
Country:	Spain
Project Description:	The project comprises the promoter's investments over the 2021-2024 period in research, development and innovation (RDI) in the water treatment, renewable energy and infrastructure sectors. The project also includes transversal investments in digitalisation and other technologies spanning its different business areas.
EIA required:	Potentially yes (for some parts of the project)
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

The project comprises the promoter's investments in research, development and innovation (RDI) in the water treatment, infrastructure, and renewable energy sectors. In addition, a significant part of the project concerns transversal investments in digitalisation.

The result of this RDI project is expected to have direct and indirect positive environmental effects, as it contributes to the expansion of renewable energies and thus facilitates the reduction of global CO₂ emissions by substituting fossil fuel generated electricity. The project also includes the development of advanced technologies to deploy innovative energy saving and resource saving concepts in the construction and water treatment industries.

The project has been assessed for Paris alignment and is considered aligned with both low carbon and resilience goals against the policies set out in the Climate Bank Roadmap. In 2019, ACCIONA had started to implement an ambitious climate strategy adopting science-based targets, in line with the requirements of the Paris Agreement (COP21), and endorsing the Business Ambition (1.5°C) target. More specifically, ACCIONA aims to achieve reduction in direct and indirect GHGs emissions, 60% and 47% respectively, between 2017 and 2030.

The project goals are in line with ACCIONA's sustainability strategy, which is defined by the UN Sustainable Development Goals and the transition to a low carbon economy. ACCIONA's so-called 5-year Sustainability Master Plans (SMP) guides its sustainability strategy by defining the strategic objectives and setting the specific performance targets. The targets of the SMP 2016-2020 were met at 98.8%, including sound achievements in climate and environmental sustainability actions in the period of 2016-2020:

- Science-based² reduction in CO₂ emissions of 38% (Scopes 1 and 2) and 33% (Scope 3), avoiding 70 million tonnes of CO₂.

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.

² Science-Based Emission Reduction Targets were developed by The Science Based Targets initiative (SBTi), which provides companies with a clearly defined pathway to future-proof growth by specifying how much and how quickly



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- 61% reduction in use of municipal, surface water and groundwater for consumption compared to 2017, and 34% in the total use of water for own consumption.

The new SMP 2025 plan sets a more ambitious goal to double the impact and increase investments in developing so-called regenerative infrastructure, which is the basic infrastructure assets with an additional value for people and the planet. The SMP 2025 contains specified objectives and indicators proposed by the corporate and business divisions with direct responsibility for them. Some of the key objectives include the target to align 90% of CAPEX with classification of activities under the European Commission's taxonomy that contribute significantly to climate action as well as the target to double the consumption of renewable and recycled resources and halving the amount of waste to landfill.

According to S&P Global, Acciona's ESG Evaluation score of 86 reflects the excellent position in terms of environmental and social performance compared to its peers. Moreover, Acciona ranked 39 among the 100 most sustainable companies, according to Corporate Knights, and was nominated by Energy Intelligence as the world's greenest utility company. Acciona is also featured in global rankings such as the FTSE4Good, CDP and the Dow Jones Sustainability Enlarged, in which ACCIONA features as the world's most sustainable company in its sector (Electric Utilities).

Other Environmental and Social Aspects

Certification for R&D facilities

All research divisions of ACCIONA operate under certified Quality Management and Environmental Management Systems based on the most relevant international benchmarks (ISO 9001, ISO 14001, etc.). Furthermore, R&D activities are managed under UNE 166:002 RD&I Management Systems Certification and are subject to annual audits by external party. In 2020, 775 audits were carried out, including 607 internal and 168 external audits. The vast majority of these audits were carried out according to ISO 9001 or ISO 14001.

Health and Safety

Human Resources and Occupational Health and Safety Policy defines the health and safety strategy and the action plan. The objectives are in line with the SMP 2020 and 2025. ACCIONA has achieved OHSAS 18001 certification in most of its businesses. This certification is internationally acknowledged as the standard for occupational health and safety management systems. In 2020, the Health and Safety Management System was adapted to cope with the global pandemic.

Environmental, Labour and Social Assessment of Suppliers

ACCIONA assesses suppliers using ESG criteria: environmental, social, Human Rights, Ethics, Integrity and Governance. This assessment is verified in the certification and audit processes. Since 2013, ACCIONA has been conducting annual ESG external audits of suppliers.

Integration of ESG Principles into the procurement process

ACCIONA's Sustainable Procurement Guide ensures that sustainability criteria are incorporated into the company's procurement and contracting management. The criteria includes four pillars: renewable energy, eco-efficient vehicle fleet, sustainable materials and working with special employment centres for people with disabilities.

they need to reduce their greenhouse gas emissions. The SBTi is a partnership between CDP, the United Nations Global Compact, World Resources Institute (WRI) and the World Wide Fund for Nature (WWF).



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Conclusions and Recommendations

The project comprises investments in research, development and innovation (RDI) in the water treatment, infrastructure, and renewable energy sectors, as well as transversal investments in digitalisation, that will be carried out in existing facilities without changing their already authorised scope. These activities are not specifically listed in the EIA Directive 2014/52/EU amending Directive 2011/92/EU.

However, some R&D subprojects include the construction of demonstration plants in the renewable energy domain, that would potentially fall under the EIA directive requiring either a screening decision or an EIA report. A disbursement condition will be specified in the finance contract (see below) for the subprojects falling under the EIA directive.

The application of the results of the project is expected to bring about a positive environmental impact, as (i) it contributes to the expansion of renewable energies and thus facilitates the reduction of global CO₂ emissions by substituting renewable sourcing to fossil fuel generated electricity and by deploying advanced energy saving solutions in the construction sector; and (ii) it promotes the deployment of advanced waste water treatment technologies and circular economy. Overall, the project will have positive impacts on the environment and as such, the project is acceptable for financing by the Bank in environmental and social terms.

Disbursement condition:

The renewable energy subprojects (demonstration plants) potentially falling under the EIA directive will be associated to a specific amount of the EIB loan. Appropriate disbursement condition(s) will be specified in the financed contract to release the disbursement of this amount, only after the documented evidence of either the screening out decision or the EIA granted decision of the competent authorities has been provided to the EIB for each of the concerned subprojects. The complete EIA studies will then be published on the EIB website whenever applicable.