

Luxembourg, 26 June 2025

Environmental and Social Data Sheet

Overview

Project Name: IBERDROLA VALENCIA NETWORK RECONSTRUCTION
 Project Number: 2025-0120
 Country: Spain
 Project Description: Investments focusing on the reconstruction of the electricity distribution network affected by the devastating floods in Valencia, Spain, in October 2024 (il.lumina project).

EIA required: no

Project included in Carbon Footprint Exercise¹: no
 (details for projects included are provided in section: “EIB Carbon Footprint Exercise”)

Environmental and Social Assessment

The Project covers investments in overhead lines and underground cables, substations, transformers, and digitalisation. The maximum voltage is 132 kV.

Environmental Assessment

Some schemes fall under Annex II of the EIA Directive 2011/92/EU as amended by Directive 2014/52/EU leaving it to the competent authority to determine whether an Environmental Impact Assessment (EIA) is required. According to the national legislation, a screening decision by the competent authorities is required for all distribution lines, including their associated substations, irrespective of their voltage, unless they run entirely underground on urbanised land. Given their characteristics, location, and potential impacts, and considering the criteria established under the national EIA legislation, none of the programme schemes are expected to require an EIA. Programme schemes are also screened for an Appropriate Assessment under the EU Habitats and Birds Directives.

It must be noted that Decree Law 19/2024 includes additional provisions for the exemption of actions relevant to the repair and restoration of the electricity transmission and distribution networks that have been affected by the floods from the submission of EIAs.

The Project has the potential for some low to moderate environmental and social impacts. These include noise, vibration, dust, and disruption of traffic during construction, and electromagnetic radiation during operation. Appropriate mitigation measures will be implemented to minimise impacts during construction and operation.

The programme schemes that have to do with automation and digitalisation are expected to have limited environmental impact.

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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The Promoter is I-DE Redes Eléctricas Inteligentes S.A.U., an experienced Distribution System Operator (DSO) in Spain. The environmental and social due diligence has followed the investment programme lending approach according to the EIB's procedures and standards, i.e. the due diligence focussed on the Promoter's capacity and capability to implement the programme in line with EIB environmental and social standards and requirements. Based on this assessment, the environmental capacity of the Promoter is deemed good, i.e. the Promoter has the experience and the capacity to manage the investment programme.

The management of waste generated by the project will follow sustainable waste management practices, in line with the applicable EU directives and Spanish legislation.

Physical climate change risks relevant to the area of installation of the project schemes, i.e. mainly heat waves, wildfires, flooding, temperature increase and high winds, are mitigated in the design stage, by adapting - as necessary - the design or the location of the equipment, monitoring, and regular inspections.

The operation has been assessed for its Paris alignment. It is considered to be aligned for low carbon and adaptation, in line with the policies set out in the Climate Bank Roadmap and with the Bank's Energy Lending Policy.

EIB Paris Alignment for Counterparties (PATH) Framework

- The counterparty Iberdrola S.A. is in scope and screened in to the PATH framework, because it operates in a high emitting sector.
- The counterparty already meets the requirements of the EIB PATH framework with its existing alignment plan.

Public Consultation and Stakeholder Engagement

Public consultations, when necessary, are organised by the competent authority, as part of the permitting process.

Other Environmental and Social Aspects

The Promoter is certified to ISO 9001 (Quality management systems), ISO 10002 (Quality management - Customer satisfaction), ISO 14001 (Environmental management systems), and ISO 45001 (Occupational health and safety management systems).

Conclusions and Recommendations

The Bank reviewed the environmental and social capacity of the Promoter, including its organisation, processes, and procedures, and considers them satisfactory. Based on the information available and with appropriate conditions and monitoring, the programme is expected to be acceptable in environmental and social terms for the Bank's financing:

- The PATH counterparty undertakes not to engage in incompatible activities, as defined in the EIB Group PATH Framework (<https://www.eib.org/en/publications/the-eib-group-path-framework>).
- The Promoter undertakes to send to the EIB copies of all EIA screening decisions concerning the programme schemes issued by the competent authority for nature and environment.
- The Promoter undertakes not to allocate the Bank's funds to programme schemes that require an Environmental Impact Assessment (EIA) until the EIA and/or the biodiversity



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assessment have been finalised to the Bank's satisfaction and, including public consultations, and approved by the competent authority. When the EIA is made available to the public, an electronic copy of the EIA study shall be sent to the Bank.

- The Promoter undertakes to take into account and implement the conditions expressed in any screen-out decision or EIA consent granted by the competent authority for nature and environment.
- The Promoter undertakes to ensure that all programme schemes will undergo a biodiversity screening in accordance with the EU Habitats and Birds Directives. Should a component have a potential impact on a site of nature conservation, the undertaking is extended to inform the relevant authority and implement the procedures under Articles 6(3) and (4) of the Habitats Directive.
- The Promoter undertakes to store and keep updated any documents that may be relevant for the programme and which support the compliance with the provisions under the EU Habitats and Birds Directives (Form A/B, or equivalent declaration by the competent authority) and shall, upon request, promptly deliver such documents to the Bank.

The Project benefits from financing under the Recovery and Resiliency Fund (RRF) and is expected to ensure that it does no significant harm to any of the six environmental objectives within the meaning of the art. 17 of the Taxonomy Regulation (EU) 2020/852 (the principle of "do no significant harm" (DNSH)). Based on the information provided by the Promoter, a DNSH assessment was carried out for all six environmental objectives, and it was concluded that the Project aims not to have significant foreseeable impact on any of the six environmental objectives. Overall, the Project aims to comply with the DNSH principle by satisfying the conditions stipulated in the Council Implementing Decision Annex on the approval of the assessment of the recovery and resilience plan for Spain.