

Environmental and Social Data Sheet

Overview

Project Name:	ROLLING STOCK RDI & OTHER EXPANSION INVESTMENTS
Project Number:	2017-0449
Country:	Spain
Project Description:	The project comprises investments in research, development and innovation (RDI) to support the promoter's competitiveness by developing new commuter train and very high speed train platforms with increased passenger capacity, by developing new solutions for rolling stock and by expanding the promoter's product portfolio. A portion of the project also entails selected fixed capital investments related to manufacturing and maintenance services.
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). In 2017, the documentation for the environmental management system will be adapted to reflect the new regulation ISO 14001.2015, for which the Company expects to obtain certification in 2018.

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.

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO₂e/year absolute (gross) or 20,000 tons CO₂e/year relative (net) – both increases and savings.

Luxembourg, 15/11/2017

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 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.

The company’s commitment on the subject of safety is evidenced by the training of the personnel, which starts from the moment they join the company and is added to with talks on subjects related to prevention.

Finally, as regards the project, a portion of the promoter’s RDI activities will be devoted to reducing the weight of rolling stock and other aspects aimed at improving its energy efficiency.

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.