

Environmental and Social Data Sheet

Overview

Project Name:	IBERDROLA ENERGY RDI
Project Number:	2015-0528
Country:	SPAIN, UNITED KINGDOM
Project Description:	The project comprises selected investments in EU-based Research, Development and Innovation (RDI) in the promoter's strategic business areas over the period 2015-2018, developing innovative technologies in the fields of i) electricity distribution incl. smart grids, ii) electricity generation, emission control and markets, iii) renewable energy generation, as well as iv) other cross-cutting themes incl. ICT, electric mobility and storage. The investments are intended to diversify the promoter's range of products and services, and to adapt existing products to market demand. The RDI activities will be carried out in existing R&D facilities at several locations in Spain and the United Kingdom.
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

The project activities are not specifically covered by Annexes I & II of EU 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 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, efficient power generation as well as optimisation of the power distribution.

Reducing the environmental impact of its operations, such as the generation of energy with lower emissions, 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, are part of the Group's 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

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.

electricity, as well as for distribution and sale of gas in Spain. ScottishPower (UK) received the ISO 14001 certification in 2010.

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 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, efficient power generation as well as optimisation of the power distribution.

In the light of the above, the project is eligible for the Bank's financing from the environmental point of view.