



Public

Environmental and Social Data Sheet¹

Overview

Project Name:	<i>ILUNION SOCIAL COMPANY INVESTMENTS II</i>
Project Number:	<i>20230060</i>
Country:	<i>Spain</i>
Project Description:	<i>Financing of investments in energy efficiency refurbishments carried out by the promoter in industrial laundries and buildings.</i>
EIA required:	no
Invest EU sustainability proofing required	yes
Project included in Carbon Footprint Exercise ² :	no

Environmental and Social Assessment

Environmental Assessment

The operation concerns a framework loan to Ilunion (the “Borrower”) that will support the financing of energy efficiency projects (“EE”) in Spain, mainly for EE renovation in its buildings and its industrial laundries. The investments are expected to improve the energy performance of the buildings through EE renovations including, among others, the following measures: building envelope insulation, improvement of HVAC (heat, ventilation and air conditioning) systems, building management systems, etc. For the industrial laundries the project will implement the energy efficiency measures identified in specific energy audits for the laundries.

Therefore, the operation will contribute to the EU energy and climate objectives as the “Green Deal Renovation Wave” and “REPowerEU” and support the implementation of the “EU Energy Performance of Buildings Directive” (“EPBD”) and the “Energy Efficiency Directive” (“EED”).

Some of the projects may fall under Annex II of the Directive EIA Directive 2011/92/EU amended by 2014/52/EU. In those cases, the competent authority needs to screen the projects and determine whether an Environmental Impact Assessment is required or not. Given the scale, location and nature of the sub-projects an environmental impact assessment (“EIA”), as

¹ The information contained in the document reflects the requirement related to the environmental, social and climate information to be provided to Investment Committee as required by the Invest EU Regulation and it represents the equivalent of the information required in the template of the InvestEU sustainability proofing summary

² 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.



defined under the EIA Directive amending the 2011/92/EU as amended by Directive 2014/52/EU, is not expected to be required.

Temporary impacts due to construction works (e.g. dust, noise) are mitigated through appropriate site organisation and construction management. Due to the nature of the investment very limited environmental impacts are expected.

Climate Assessment

- **Climate change mitigation:** The energy efficiency projects under the loan are expected to lead to a decrease in energy consumption of the buildings and industrial laundries, resulting in reduced CO₂ emissions. Therefore, all the schemes under the operation will support climate-change mitigation
- **Paris Alignment of projects:** The underlying projects to be included under this framework loan will be compliant with the energy efficiency criteria under the energy lending policy and thus Paris aligned.

Social Assessment

- The Promoter, Ilunion promotes a unique social and economic model which maintains the balance between its economic and social values. ILUNION has a staff of 39,026 workers, of which 16,260 are people with some kind of disability (41.7%). By supporting the energy efficiency projects, Ilunion's operation energy costs will be reduced and the Promoter will improve its competitiveness and capacity to continue implementing its unique inclusive and socially responsible business model.

Conclusions and Recommendations

The overall environmental and social impact of the Project is expected to be positive. Given the size and nature of the schemes, any negative environmental impacts are expected to be low. A scheme may fall under Annex II of the EIA Directive and in these cases, the Bank will require the Borrower to ensure that all schemes are implemented acting in accordance to the provisions of the national legislation and aforementioned Directive. The Promoter is considered capable to select schemes complying with the Bank's specific procedures and eligibility criteria, in particular regarding the environmental and social aspects.

The legal documentation to be concluded between the Borrower and the Bank shall include:

- ensure that all schemes comply with national and European legislation (where applicable),
- develop and maintain sound environmental, climate and social management practices and necessary organisational capacity to implement them; where applicable, screening and, if required, sustainability proofing, in accordance with InvestEU technical guidance, will be performed for underlying allocations.

The Project is therefore considered to be acceptable for Bank financing from an environmental and social compliance perspective.