



# Our vision on Sustainability

## BUSINESS UNUSUAL

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European Federation of Financial Analyst Societies

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#InvestInThePlanet



## ACCIONA, THE FIRST COMPANY OF A NEW SECTOR

### **From pioneers in development and Sustainability to business as unusual**

Beyond classic industry classifications  
ACCIONA belongs to a new sector that  
responds to the need to contribute to the  
transformation and progress of society, in  
line with the goals of the 2030 agenda

### BUSINESS AS UNUSUAL

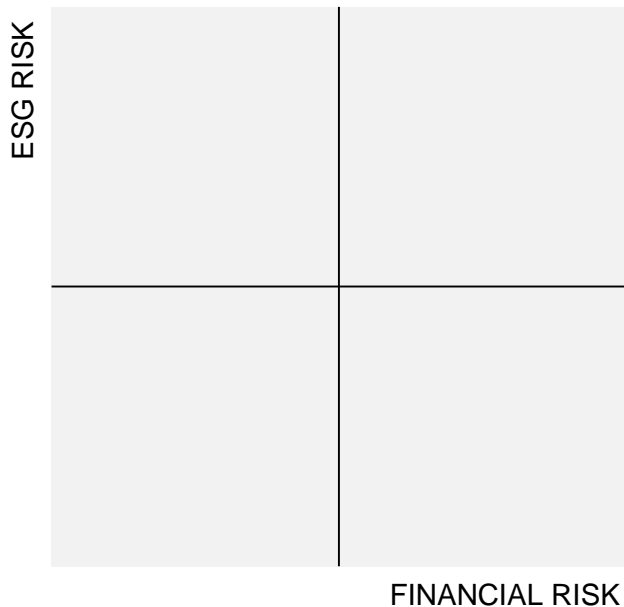
WE DO BUSINESS IN A DIFFERENT WAY

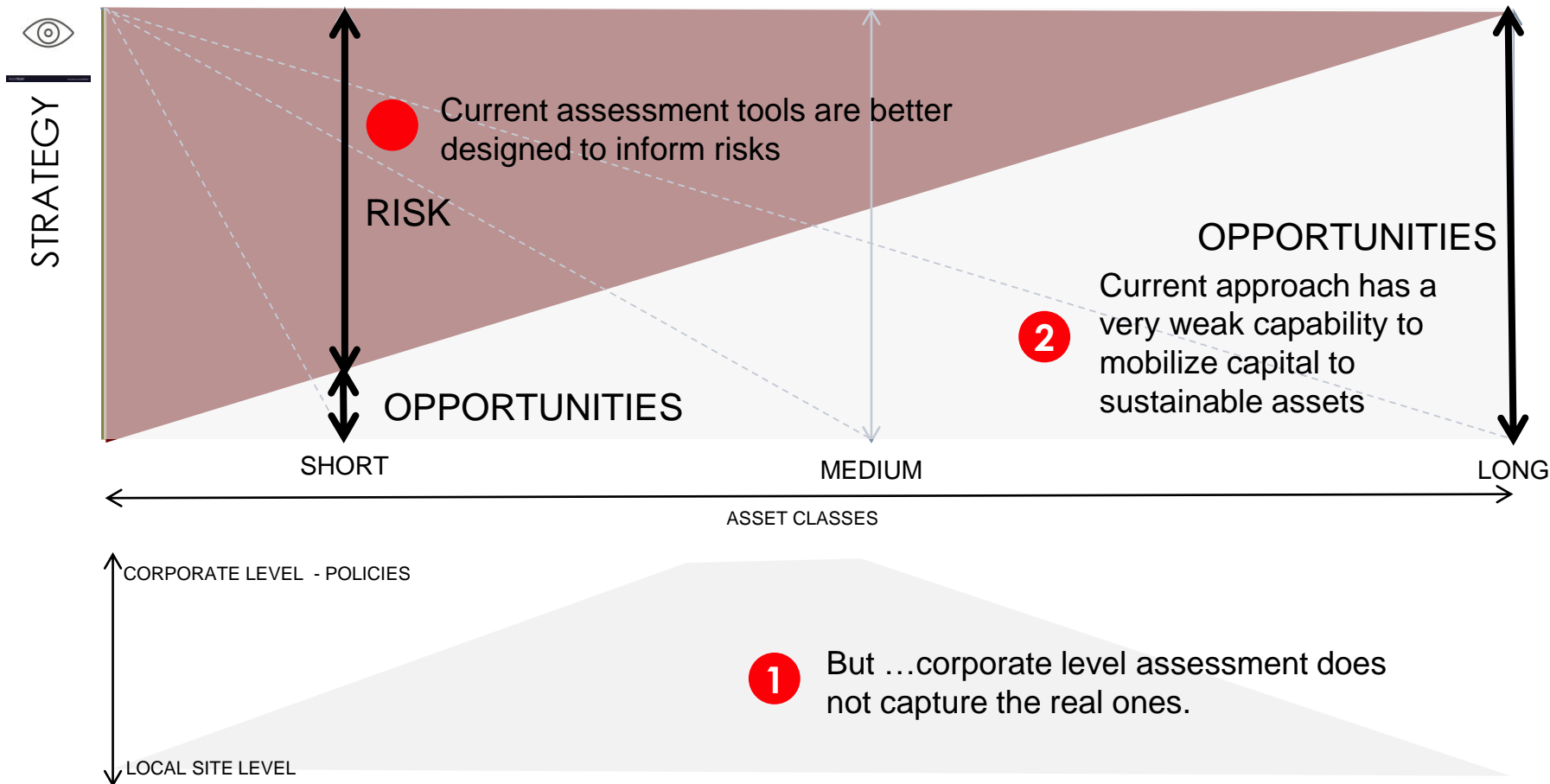


**40.000 employees in more than 60 countries | Carbon neutral | 7bn revenue**

## ESG product creation traditional approach

Corporate assessment based on questionnaires





## What does the Company do?



### CSA RobecoSAM – DJSI 2019 Electric utilities

Rank	Score	Company
1	98	Enel SpA
2	97	EDP - Energias de Portugal
3	97	Acciona SA
4	96	Avicorp
5	95	Enel
6	94	Enel Energia
7	93	Enel Energia
8	92	Enel Energia
9	91	Enel Energia
10	90	Enel Energia

#### CDP 2019

62 tCO<sub>2</sub>/MM€  
1,225 tCO<sub>2</sub>/MM€  
58 tCO<sub>2</sub>/MM€  
863 tCO<sub>2</sub>/MM€  
1,270 tCO<sub>2</sub>/MM€  
595 tCO<sub>2</sub>/MM€

High carbon  
intense  
economy  
> 3.000tCO<sub>2</sub>/MM€

In transition to  
low carbon  
economy

100-1.500  
tCO<sub>2</sub>/MM€

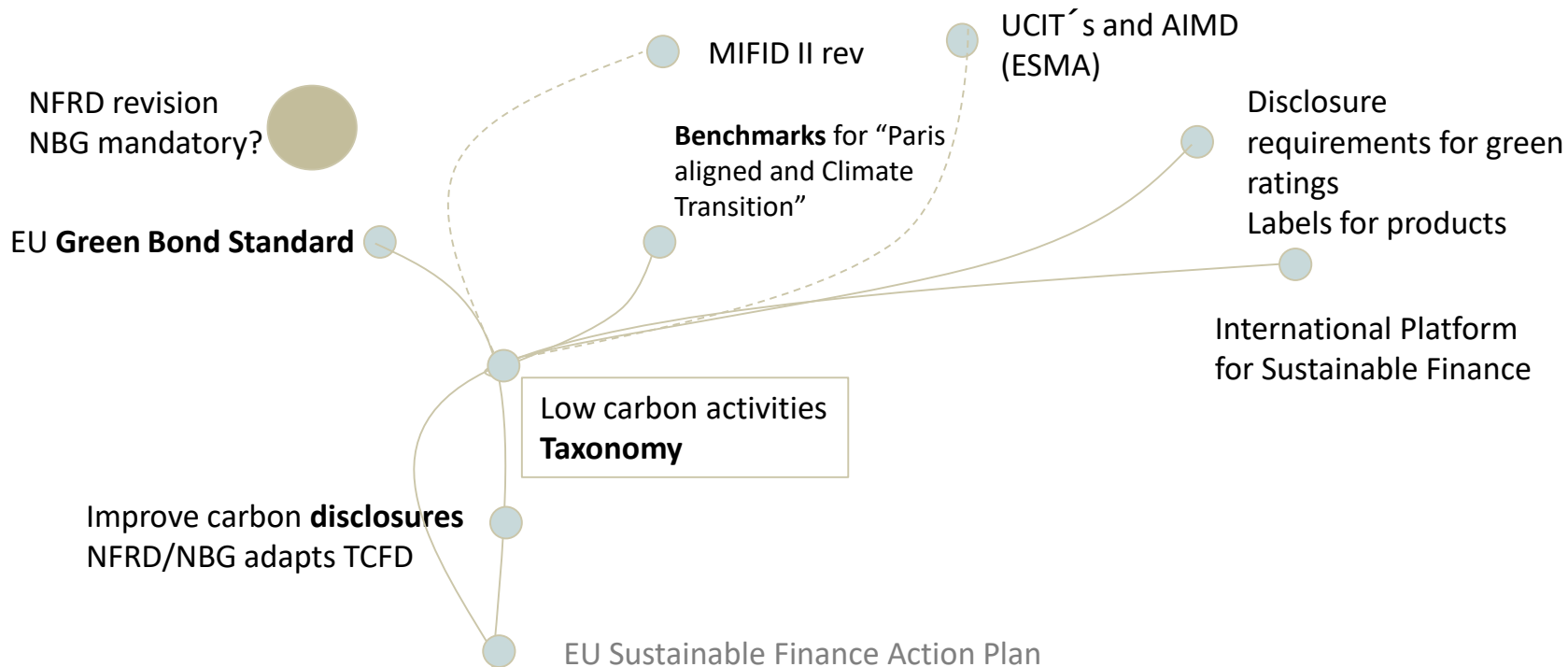
A new sector?

Low carbon  
economy  
< 25-75  
tCO<sub>2</sub>/MM€

Risk weighting adjustments –  
capital requirements

Adjustments of brown assets  
in ECB's collaterals

Potential QE low carbon  
assets



## Christine Lagarde sees climate change as “mission critical” for the ECB and opens the door to EU taxonomy-based asset purchases programs

11 Sep 2019 / Radek Jan, Cédric Merle / Sustainable Finance Watch



**Brussels Briefing European Union** [Add to feed](#)

### Brussels pushes to create the world's first green gold standard

The point of the EU's work is to stamp out the so-called 'greenwashing'

By **Holmes Khan** and **Michael Peel** in Brussels NOVEMBER 11 2019

FT subscribers can click here to receive Brussels Briefing every day by email.

The EU wants to revolutionise the world of green finance. Brussels officials, MEPs and member states are currently trying to thrash out plans for a gold standard in green investment they hope will unleash tens of millions of euros of private money to fund the transition to a more sustainable world.

The project has a classically boring Brussels name – the “taxonomy” for sustainable activities – but the implications are potentially transformative. The EU wants to become the first supranational regulator to write rules that banks and funds will have to comply with when they claim to launch “green” products or investments.

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### Lagarde opens way to green QE

By **Joseph Cox** 30 Aug 2019

Christine Lagarde suggested that the European Central Bank, which she is set to lead later this year, could apply green criteria to its asset purchase programme once the EU's Taxonomy of Sustainable Economic Activities is completed, in comments published on Thursday.

The ECB has used a principle of what it calls “market neutrality” in its asset purchase programme so far, which has encompassed SSA bonds, corporate bonds, covered bonds and asset-backed securities. This has meant not taking into account environmental criteria.



### ESG information is now critical for investors

from Yim Mohin, Global Reporting Initiative, Amsterdam, The Netherlands



APRIL 6 2019

Hans Hoogervorst, chair of the International Accounting Standards Board, makes the overbearing claim that “greenwashing is rampant” in sustainability reporting (FT.com, April 2). The Global Reporting Initiative, the leading independent sustainability standards body, categorically refutes this assertion.

### Commission consultation on final Basel III reforms – spotlight on ESG risks

By **David Mercet (BSI)** on October 16, 2019  
Posted in **ESG, ESG, ESG, ESG, France, Germany, Italy, The Netherlands, United Kingdom**

As previously blogged, the European Commission (Commission) has launched a public consultation on the implementation of the final elements of the Basel III reforms.

Chapter 8 of the Commission consultation document covers sustainable finance.

The Commission notes three actions that have been identified by the co-legislators in the course of the recent legislative review of amendments to Capital Requirements Regulation and Directive (CRR/CRRD IV), and which included:

- 1 a mandate for the European Banking Authority (EBA) to assess the inclusion of the environmental, social and governance (ESG) risks in the supervisory review and evaluation process (SREP);
- 2 a requirement for large, listed institutions to disclose ESG risks, including physical and transition risks; and
- 3 a mandate for the EBA to assess on the basis of available data and the findings of the Commission High-Level Expert Group on Sustainable Finance, whether a dedicated prudential treatment of exposures related to assets or activities associated substantially with environmental and/or social objectives would be justified.

### Predicting the next decade: Making a mark

Investing for impact has risen up the agenda for many institutions with a rapid growth in allocations over recent years.

by **PGI Staff** 17 September 2019 [Read more](#)

#### Figure 7: WBG Involvement with Public-private partnership<sup>1</sup>



```

graph LR
    A[Upstream Policy Support] --> B[Project Preparation]
    B --> C[Transaction Design]
    C --> D[Transaction Execution]
    D --> E[Financing]
  
```

The flowchart illustrates the World Bank Group's (WBG) involvement in public-private partnerships (PPPs) across five stages:

- Upstream Policy Support:** Includes logos for IFC, IDA, and other WBG entities.
- Project Preparation:** Includes logos for IFC, IDA, and other WBG entities.
- Transaction Design:** Includes logos for IFC, IDA, and other WBG entities.
- Transaction Execution:** Includes logos for IFC, IDA, and other WBG entities.
- Financing:** Includes logos for IFC, IDA, and other WBG entities.

## What does the Company do?



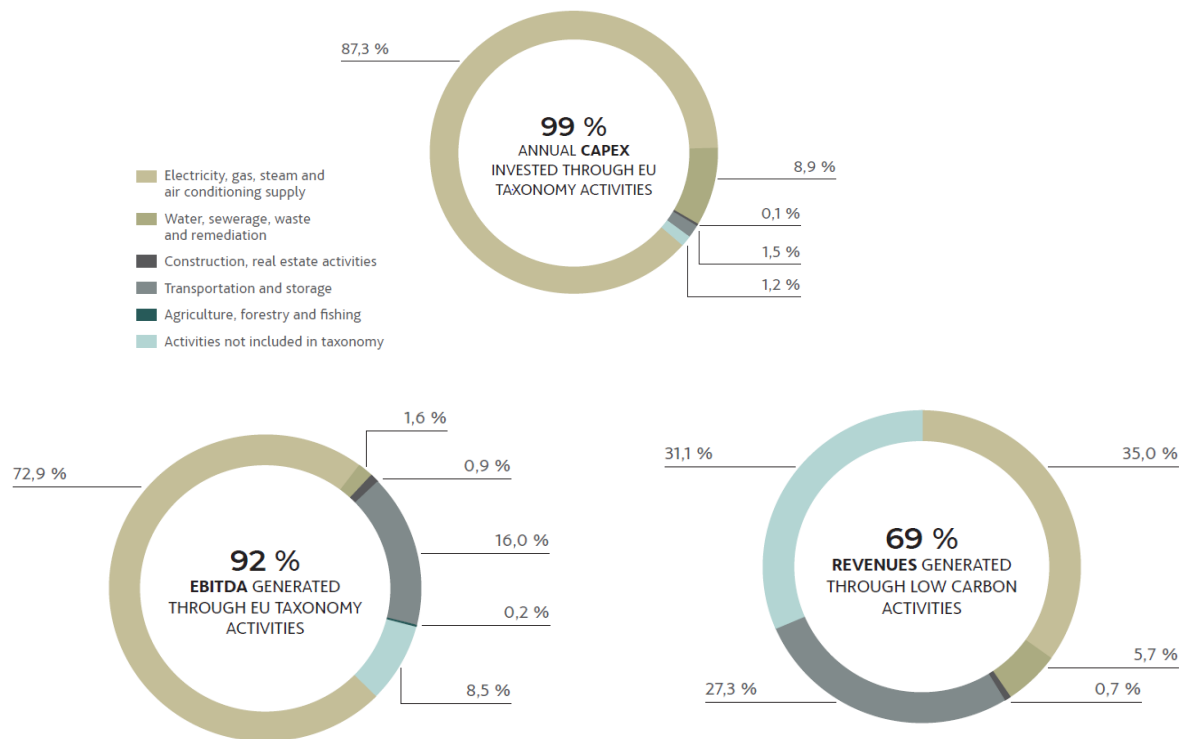
### EU TAXONOMY ALIGNMENT

THE NEW EU CLASSIFICATION SYSTEM FOR SUSTAINABLE ECONOMIC ACTIVITIES: A CASE STUDY

EXECUTIVE SUMMARY  
OCTOBER 2019



## New (EU) taxonomy on low carbon economy drives our strategy





## What does the Company do?



## New (EU) taxonomy on low carbon economy drives our strategy

Activities covered by the Taxonomy	Revenues (M€)	% Revenues	EBITDA (M€)	% EBITDA	Capex (M€)	% CAPEX
Electricity, gas, steam and air conditioning supply:	2.520	35	840	73	560	87
Production of electricity from wind power	1.330	19	605	53	460	72
Production of electricity from solar PV	495	7	80	7	79	12
Production of electricity from hydropower	390	5	92	8	17	3
Production of electricity from Concentrated Solar Power	155	2	42	4	2,5	0,4
Production of electricity from bioenergy	150	2	22	2	0,5	0,07
Transportation and storage	1.960	27	184	16	10	1,5
Infrastructure for low carbon transport	1.960	27	185	16	3	0,5
Passenger cars and commercial vehicles	0,4	0,01	-1	-0,1	7	1
Water, Sewerage, Waste and Remediation	407	6	18	1,5	57	9
Centralized Wastewater treatment systems	177	2,5	-2	-0,2	17	3
Water collection & treatment and supply	161	2,5	12	1	33	5
Separate collection and transport of non-hazardous waste in source-segregated fractions	68	1	8	0,7	7	1
Construction, Real estate activities	50	0,7	10	0,9	5	0,8
Construction of new buildings	43	0,6	5,5	0,5	0,5	0,1
Individual renovation measures, installation of renewables on-site and professional, scientific and technical activities	6,5	0,1	4,5	0,4	4,5	0,7
Agriculture, forestry and fishing	15	0,2	2,5	0,2	1	0,1
Growing of non-perennial crops	15	0,2	2,5	0,2	1	0,1
<b>TOTAL</b>	<b>4.950M€</b>	<b>*69 %</b>	<b>1.050M€</b>	<b>*92 %</b>	<b>630M€</b>	<b>*99 %</b>

## What does the Company do?



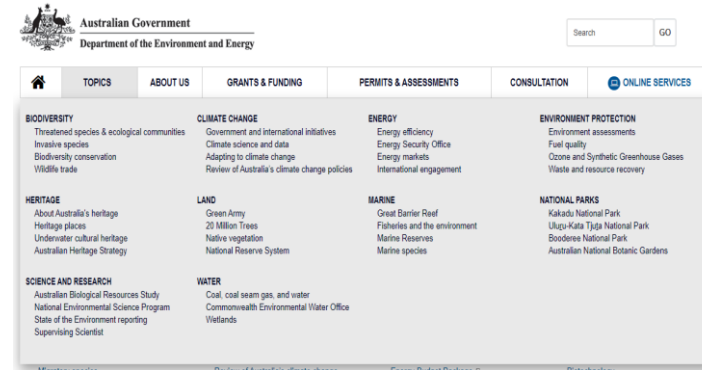
## How does it work?



## PRIORITIES

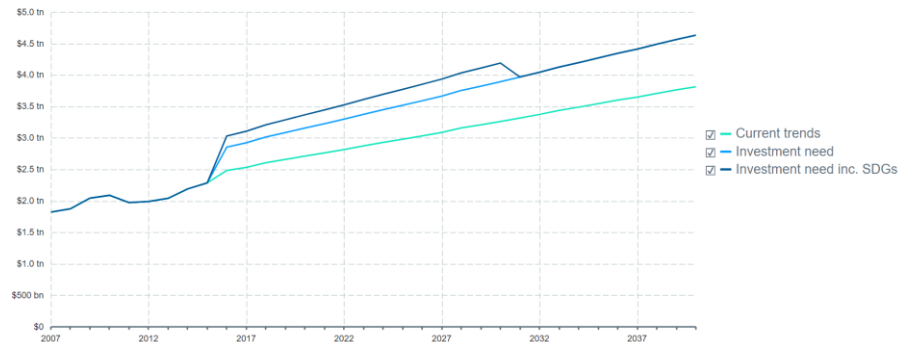


## CONVERGENCE



## GROWTH

Infrastructure investment at current trends and need



Export Chart ▼



## AVAILABILITY OF CAPITAL [OFFER]

Capital markets have discovered the virtue of infrastructure. The global investment in infrastructure is US\$ 9.5trillions per year.



## GREENFIELD DEVELOPERS



Only a few operators are able to mobilize supply to meet the global demand

## MEGATRENDS [DEMAND]

The SDGs have defined the focus of the global agenda and have achieved an important driving effect of infrastructure investment

Achieving the SDGs will likely require an estimated US\$2.4 trillion a year of additional investment, especially for infrastructure (1,5-2 trillions) and other projects with long payback periods\*

72% of the SDGs are connected with infrastructure development (Nature magazine, April 2019)

The global infrastructure gap can only be covered plugging it with a massive scale-up in the availability of blended finance to share risks between public and private investors

## Long-term strategy focused on key societal challenges



## Activity and capex concentrated in highly stable and predictable businesses <sup>(1)</sup>



(1) Percentages are calculated on EBITDA and Capital Employed before consolidation adjustments, corporate costs & other

(2) Renewable Generation excluding Non LT Contracted + Infrastructure Concessions + Infrastructure Services

(3) Capital employed excluding equity accounted investments (2017A: €1,331m; 2018A: €962m)

## What does the Company do?



### EU TAXONOMY ALIGNMENT

## How does it work?



### HIGH IMPACT SOLUTIONS

## How does the Company perform?



### AMBITIOUS ESG GOALS



## SUSTAINABILITY MASTER PLAN 2010-2015-2020 > 2025

SMP main achievements

### CLIMATE

In the period 2010-2018, **130 million tons of CO<sub>2</sub> have been avoided**. We have increased avoided emissions from 11.4 to 14.7 million tons of CO<sub>2</sub> per year.

Residual emission targets according to what science indicates towards 1.5°C.

Emission intensity reduction from **169 to 58 tons of CO<sub>2</sub> per million euros of sales**.

Acciona compensates residual emissions: **Carbon neutral since 2016**

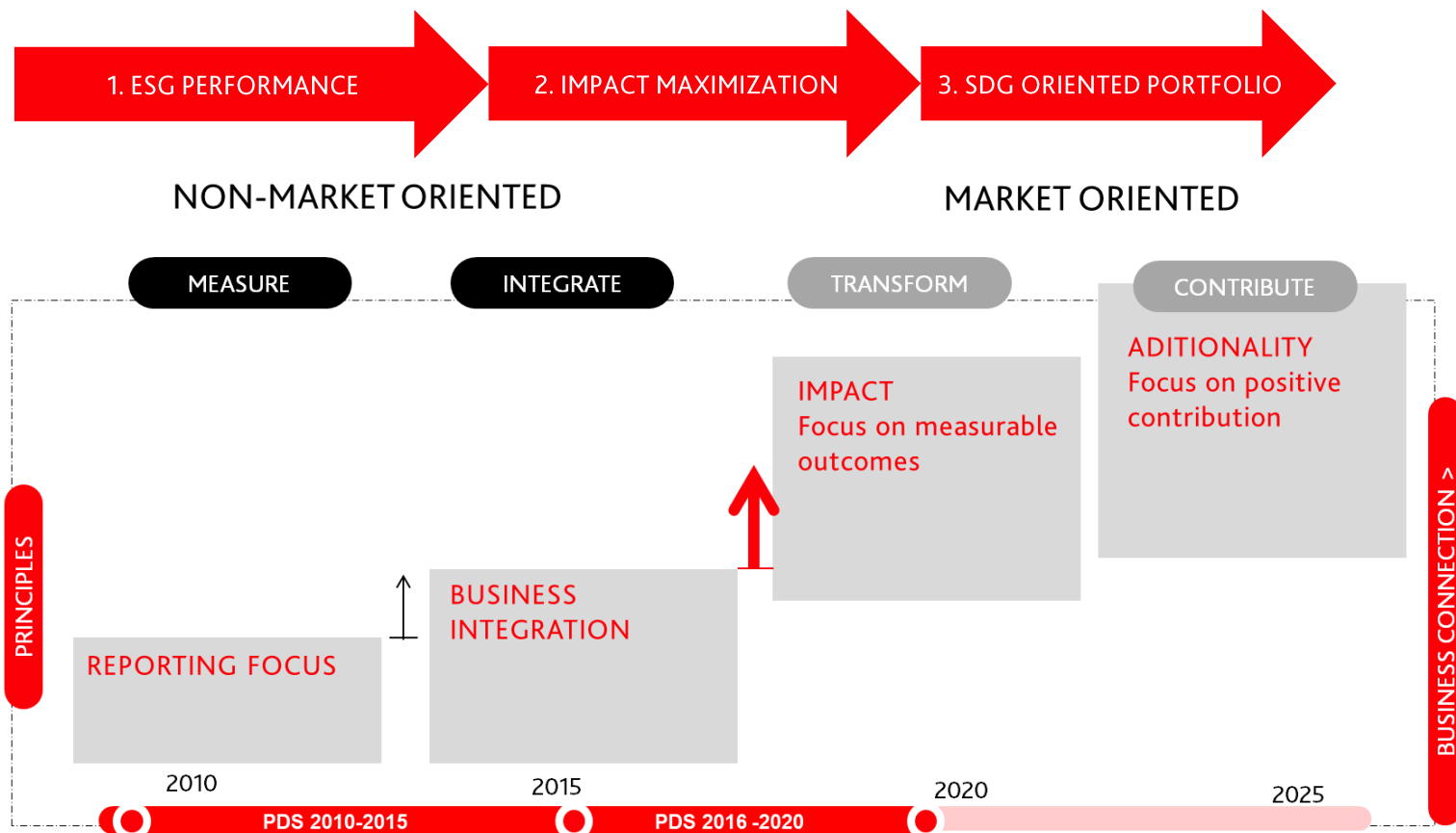
### SOCIAL INCLUSION AND HUMAN RIGHTS

Social impact management methodology implemented since 2011 and applied to more than 100 projects in 25 countries in 2018.

Human rights protection requirements for contractors audited. 87% local suppliers. Migrant Workers Welfare Standard, which establishes mandatory minimum requirements for the recruitment, employment and housing processes of workers and project subcontractors. Last year, 47 contractors were considered “no go”.

### TALENT WELFARE

- Although we still have work, we have reduced our gender gap to almost 5%.
- We have been recognized by Thomson Reuters as one of the 10 best companies in the world in the field of Diversity and Inclusion.
- From the perspective of the labor insertion of people with disabilities, 2018 closed in Spain, with a rate of 3.86% equivalent employment of the total workforce



ES | EN

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**WE DO INVEST IN  
OUR PLANET**



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