

## Environmental and Social Data Sheet

### Overview

Project Name:	TELTONIKA IOT GROUP INVESTMENT PROGRAMME
Project Number:	2021-0243
Country:	Lithuania
Project Description:	The project concerns research, development and innovation activities in wireless networks and communication technologies for mobility, industry and healthcare applications. Furthermore, the investment includes the expansion and upgrade of the company's manufacturing facilities in Lithuania.
EIA required:	no
Project included in Carbon Footprint Exercise <sup>1</sup> :	no

### Environmental and Social Assessment

#### Environmental Assessment

The financed investments primarily concern research and development activities in the field of networks and communication technologies, such as for telematics, industrial routers and telemedicine. Such activities are not subject to an Environmental Impact Assessment (EIA) according to the Directive 2014/52/EU amending Directive 2011/92/EU.

In addition, the project finances capital investments for the expansion and upgrade of Teltonika Group's production capacities, in particular a new electronics manufacturing facility in the area of Molėtai, some 60 km north of Vilnius. The investment includes an administrative building with production and storage premises used for electronics manufacturing services, which would fall under Annex II of the EIA Directive in relation to urban development. According to the local screening decision, an EIA is not mandatory. There are no protected areas concerned by the planned project activities. The residual impacts from the construction and during the operation of the plant are limited.

The project has been assessed to be in line with the goals of the Paris Agreement and the policies set out in the Climate Bank Roadmap. The manufacturing processes operated by the promoter concern the assembly of electronic components generating rather limited carbon emissions mostly due to electricity consumption. However, the Group constantly monitors its carbon footprint, with the aim to become CO<sub>2</sub> neutral in the future. It has waste management processes in place in line with the national legislation and aims at constantly reducing the industrial waste, mostly packaging materials.

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<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tonnes CO<sub>2</sub>e/year relative (net) – both increases and savings.

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### **Other Environmental and Social Aspects**

The products resulting from the research and development activities concern electronic devices with low power consumption that are able to create efficiencies in a variety of sectors, such as in mobility and industry, e.g. through the optimisation of logistics flows and industrial operations. In addition, the promoter is committed to reduce its carbon footprint and the environmental load of its operations. The new buildings in Molétai would comply with the latest applicable energy performance standards. The promoter plans to re-use heat generated from soldering processes for its premises and to cover part of its electricity needs from photovoltaic panels installed on the new facility. Otherwise, it receives its electricity from 100% renewable sources through a local energy provider.

The Group operates based on its Integrated Management System (IMS) policy, in line with latest industry standards for quality, environmental, occupational health and safety management, in particular ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018.

### **Conclusions and Recommendations**

The promoter has the capacity to implement the project in line with the Bank's requirements and adequate procedures in place to manage its limited environmental impact. The project is therefore acceptable for financing in environmental and social terms.