

Luxembourg, 24.08.2023

Environmental and Social Data Sheet

Overview

Project Name: VALMET PROCESS TECHNOLOGY RDI
 Project Number: 2023-0073
 Country: FINLAND, SWEDEN, OTHER EU
 Project Description: The Project comprises the Promoter's Research, Development, and Innovation (RDI) activities in the field of machinery and solutions for pulp, paper, and energy industries and within automation systems, flow control solutions, services, and spare parts. The Project covers the period between 2023 and 2026 and will be carried out primarily at the Promoter's R&D locations in Finland and Sweden and to a minor extent in other smaller R&D locations in the EU.

EIA required: no

Project included in Carbon Footprint Exercise¹: no

Environmental and Social Assessment

Environmental Assessment

The RDI activities included in the financed Project are not listed in any of the annexes of the Directive 2011/92/EU amended by Directive 2014/52/EU. The financed activities will be carried out in existing facilities that will not change their scope due to the Project.

The Project will develop technologies that will be deployed by the Promoter's industrial customers and that address customers' needs to improve raw material, water, and energy efficiency, reduce greenhouse gasses emissions, expand the use of renewable raw materials, some of which being substitutes for fossil materials, and support the replacement of fossil fuels with renewable fuels. The industries that the Promoter is serving are notably energy intensive and most of the environmental impact in terms of CO₂ emission is incurred during the customers' use of the Promoter machinery. Any improvement in the energy and resource efficiency of the machinery's use is particularly impactful; the Project is therefore expected to entail positive environmental externalities.

The Project is aligned with the Climate Bank Roadmap and, as such, with the principles outlined in the Paris Agreement as the Project is part of the supported activities corresponding to RDI in "Low-carbon technologies and products, energy and resource efficiency, circular business models and non-GHG related topics".

EIB Paris Alignment for Counterparties (PATH) Framework

The Promoter is a leading global developer and supplier of services and technologies for the pulp, paper, and energy industries. The Promoter is in scope and screened out for the PATH

¹ 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.



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framework, as its activities are not included in the list of EIB sub-sectors and segments in high emitting sectors.

Other Environmental and Social Aspects

Quality, Environment and Health and Safety aspects are embedded into the Promoter's management procedures; most of the Promoter's locations are certified to the international ISO 9001 standard for quality management, the ISO 14001 standard for environmental management, and the ISO 45001 standard for health and safety management. The Promoter has targets to have 80 percent of employees working in locations certified according to quality, environment, health, and safety management systems by 2025. All of the Promoter's locations work according to the certified Global Management System, which provides a common platform for quality and HSE management in all operations. Through the annual planning process, targets and improvement initiatives are aligned across all units and locations to drive development toward strategic objectives.

In 2022, the Promoter has been included in the Dow Jones Sustainability Index (DJSI) for the ninth consecutive year; moreover, it has been recognized for its sustainability work also in the Global Sustainability Yearbook 2022 by S&P Global (Bronze Class), EcoVadis sustainability assessment (Gold medal) and MSCI ESG Ratings (AAA).

Conclusions and Recommendations

In the light of the above, the project is acceptable for EIB financing in E&S terms.