

Luxembourg, 17/07/2024

Environmental and Social Data Sheet

Overview

Project Name:	PRYSMIAN RENEWABLE TRANSMISSION EUROPE
Project Number:	2023-0955
Country:	Finland, France, Italy
Project Description:	The Project is part of the Promoter's strategic plan to extend production capabilities of power transmission cables, to meet a growing demand in the renewable energy sector and in particular in offshore wind. It comprises new manufacturing lines for submarine extra high voltage cables, new lines for onshore high voltage cables and multiple upgrades on a line for onshore high voltage cables. The Project is implemented at three European plants.
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no
(details for projects included are provided in section: "EIB Carbon Footprint Exercise")	

Environmental and Social Assessment

Environmental Assessment

The Project covers the construction of additional buildings to provide additional capacity in the manufacturing of electric cables at three existing sites in Finland, France and Italy. All investments will be extensions to existing manufacturing sites mostly within the existing perimeters of the Promoter's activities. The only exception is in Arco Felice, Italy where the promoter is considering further investments to enlarge the existing site. All activities are mechanical manufacturing without emissions to soil and only minimal emissions to air and water.

Buildings of this type are not specifically mentioned in either Annex I or Annex II of the EIA Directive 2011/92/EU amended by Directive 2014/52/EU but fall under urban development and are subject to screening. The different investment schemes have been subject to screening by the competent authorities in Finland, France and Italy. Most schemes have been screened out for requiring an EIA. The remaining screenings have been recently submitted (the investments are expected to be started in 2025-26). Consequently, receiving the screening decisions has been set as a condition for the respective disbursement.

Consequently, the biggest environmental impacts relate to the construction of factory buildings. Building permissions are given by local municipalities, given the national building codes. Most permits are already in place, while the remaining will be in place before the construction phase begins. The Promoter shall undertake not to allocate the Bank's financing to that specific investment before the building permit is in place. All buildings are also compliant with the EU Directive on Energy Performance of Buildings 2010/31/EU. Given the brownfield sites and the low emissions, it is further concluded that there is no incremental impact on any nearby site of

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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nature protection, adhering to the Directives for protection of Habitats or Birds (92/43/EEC and 2009/147/EC) or national legislation. The nearest Natura 2000 site (Siuntionjoki river (FI0100085)) is 2km upstream from the project.

The estimated increase in annual emissions of project in a standard year of operation when the full scope is implemented amounts to about 11.2 CO₂e/year. This is based on the estimated energy consumption of the plants as well as some fugitive emissions of SF₆, methane and CO₂. As it covers new manufacturing capacity, there is no baseline applicable, but the alternative is no project.

The Project contributes to climate mitigation, given that it concerns manufacturing of equipment needed to connect and integrate renewable energy generation in the energy system.

In order to satisfy market requirements, in 2022 the Promoter prepared, certified and registered Environmental Product Declarations (EPDs) for about 300 products, including medium and low voltage cables, as well as conductors. As established in the related regulations, EPDs evidence an in-depth study of the environmental impact of the products concerned, considering all phases in their life cycle - Life Cycle Assessment (LCA): from manufacture of their raw materials to their end-of-life retirement and transformation into waste, including the related production processes, as well as installation and usage. The assessments and certifications were conducted in accordance with the specific Product Category Rules (PCRs) devised, as appropriate, for EPDs in the various countries and as requested for competitive tendering. Work to prepare, issue and certify EPDs will continue to expand in the near future, in order to cover an increasing number of product families.

The Promoter operates in over 50 countries worldwide, with more than 108 plants. The geographical coverage increases the exposure to the physical risks of climate change that could impact both infrastructure and production assets, including the whole supply chain, causing damage, loss to assets and business interruption. The Company acknowledges the impact of climate change on its business and identifies and assess physical climate-related risks as strategic elements. The Promoter has analysed the impact of these risks under different scenarios through dedicated tools and was able to verify the robustness of its resilience planning and assess the appropriate countermeasures to be taken, for production assets, also considering their expected lifetime, and supply chain. The assessment carried covers the sites deployed in this Project.

EIB Paris Alignment for Counterparties (PATH) Framework

As a corporate entity, the Promoter is in scope of the PATH framework. However, as a manufacturer of electric cables, it is not engaged in high emission activities. The Prysmian Group has a decarbonization that has been assessed as target set by the Science Based Target Initiative (SBTI) and commits to reach net-zero GHG emissions across the value chain by 2050. In conclusion, the counterparty meets the requirements of the PATH framework.

Other Environmental and Social Aspects

The Promoter's environment and safety management system has been established centrally in compliance to the international standards and ensures a uniform approach throughout the Group. The Corporate Health and Safety Environment (HSE) establishes the group objectives, and the Corporate function coordinate the action plans with the Regional/Country functions, to gradually achieve these objectives.



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Nearly all of the Prysmian Group production sites (95%) are certified ISO 14001, and almost 80% to ISO45001, including all European sites.

Conclusions and Recommendations

Overall the project is not considered to have significant environmental impact and residual risks are well managed and mitigated.

A condition for disbursement concerning certain industrial investments should be that a screening decision for an EIA under Annex II of the EIA Directive is taken by the Competent Authority and shared with the Bank, and, if positive, that the EIA report is reviewed by the Bank, the EIA process is conducted and the corresponding environmental permit is issued. The Promoter shall undertake not to allocate the Bank's financing to any specific investment before it has received all of the required environmental permits and authorisations.

Under these conditions, the project is acceptable for the Bank's financing on environmental and social terms.