

Luxembourg, 26/03/2025

Environmental and Social Data Sheet

Overview

Project Name:	CSAS - PRAGUE AFFORDABLE HOUSING
Project Number:	2023-0895
Country:	Czech Republic
Project Description:	Intermediated financing to a commercial bank Ceska Sporitelna a.s. (CSAS) to develop affordable housing projects in Prague (CZ). Over 700 newly constructed housing units will be operated on long-term affordable basis (below the market price) by CSAS's subsidiary Dostupne bydleni Ceske sporitelny a.s. and rented out to key workers such as nurses, teachers, public servants.
EIA required:	No ¹
Project included in Carbon Footprint Exercise ² :	No

Environmental and Social Assessment

Environmental Assessment

The operation is envisaged to support development (new construction) of some 4 investment schemes comprising of over 700 affordable housing units for rent. The operation is a pilot for affordable housing in the Czech Republic, developed by a private entity without public subsidies and support. However, the underlying investments are strategically planned to meet the growing demand for affordable housing in Prague, in line with the City of Prague's Housing Policy and Urban Development Strategy, and to contribute towards the City's strategic goals, including the provision of affordable housing, increase densification to avoid urban sprawl. New affordable housing is developed with a focus on using high-quality materials and achieving high-energy efficiency standards. Location of the new residential buildings is also one of key parameters whereas availability of public transport means and amenities is taken into consideration.

The operation will contribute to the implementation of the EU Energy Performance of Buildings Directive (EPBD) and the Energy Efficiency Directive (EED). The proposed projects will adhere to the Czech building code regulations transposing the Energy Performance Building Directive.

Due to the nature of the investment, very limited negative environmental impacts are expected. Temporary nuisance due to construction works (dust, noise) linked to the renovations or the constructions shall be mitigated through appropriate site organisation and construction management. On the other hand, the cumulative impact of sub-projects could generate significant environmental benefits in terms of reduction of air pollutants and GHG emissions.

The individual investment schemes are not expected to require an Environmental Impact Assessment (EIA). Investments fall under Annex II, and 3 out of 4 investments already identified did not require an EIA according to the competent environmental authority (municipal authority with extended competencies). In the case an EIA is required, the Bank will require the Borrower to check, store and keep updated any documents that may be relevant for the project (including EIA screening decisions, environmental studies, environmental monitoring reports or equivalent

¹ On an exceptional basis, a scheme might fall under Annex II of the EIA Directive

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.



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documents) supporting the compliance with the EIA Directive and national environmental regulations. The Borrower shall upon request promptly deliver such documents to the Bank.

Investment schemes are not envisaged to be located inside of the Natura 2000 areas nor in the vicinity of Natura 2000 sites, which are subject to an appropriate assessment in line with art 6(3) of the Habitats Directive.

The Project is compliant with Paris alignment as it will focus on the construction of new highly energy efficient residential buildings. It is therefore fully compliant with the Energy Performance in Buildings Directive (EPBD) and consequently aligned with the Paris Climate Objectives and the Annex 2 of the Climate Bank Roadmap which defines the "Paris aligned" activities.

EIB Paris Alignment for Counterparties (PATH) Framework

The Intermediaries (CSAS and CS Affordable Housing) and their parent, Erste Group Bank AG ("Erste"), are in scope and screened in for the 'EIB's Paris Alignment for Counterparties' ("PATH") framework. Erste adopted a Task Force on Climate-Related Financial Disclosures ("TCFD") endorser and publicly disclosed its environmental and climate change actions according to the four pillars of the TCFD Framework (governance, strategy, risk management, and metrics and targets). The group already meets the requirements of the PATH framework.

Social Assessment, where applicable

The investments will generate significant social benefits, including energy savings that reduce financial stress for tenants, improved health and comfort through better indoor air quality, enhanced property values, environmental benefits from reduced emissions, job creation in construction and maintenance, and greater social equity by providing sustainable living options for low and middle-income families.

Public Consultation and Stakeholder Engagement

For the new building construction, when applicable, public consultation has been/will be carried out as part of the urban planning process, in conformity with the relevant EU and national legislation.

Conclusions and Recommendations

The intermediary has a comprehensive Environmental and Social Risk Management System (ESMS) in place, which comprises adequate policies (including excluded activities) and procedures to identify, assess, manage, monitor and report environmental, climate and social (ECS) risks and impact of the sub-projects benefiting from EIB support. The Borrower and Promoter have integrated the ECS risk assessment into its overall risk management procedures and decision-making process, with responsibilities for implementation assigned in different departments and at top management level. Regular training is provided to employees that are tailored based on their responsibilities for the implementation and oversight of the ESMS. Borrower's (CSAS) policies, applied also to the Promoter (DBCS) are consistent with EIB's E&S requirements on labour and working conditions and occupational, health and safety.

The Promoter will need to fulfil the following undertakings:

- The Borrower/Promoter shall ensure that sub-projects benefiting from EIB support comply with national and EU legislation (where applicable).
- For schemes listed under Annex I or Annex II of the EIA Directive, the EIA screening out decisions, or EIA Reports, shall be delivered to the Bank prior the allocation.

Under these conditions, the project is considered to be acceptable for Bank financing from an environmental and social compliance perspective.