

Luxembourg, 16 July 2025

Environmental and Social Data Sheet

Overview

Project Name: KRONOSPAN RENEWABLE ENERGY
 Project Number: 2024-0100
 Country: Czech Republic, Poland, Slovakia,
 Project Description: A Framework Loan to support the roll-out of ground based and rooftop solar PV plants on-site and off-site across the promoter's manufacturing sites in Central and Eastern Europe. Other investments concern construction of battery storage and replacement of forklifts and lorries by zero emission electric vehicles.

EIA required: Some schemes might require EIA

Project included in Carbon Footprint Exercise¹: no

Environmental and Social Assessment

Environmental Assessment

The present operation concerns a Framework Loan (FL) that will support the energy supply and decarbonization related components of the investment plan of the promoter, operating in the manufacture and distribution of wood-based panels and related value-added products like flooring, laminates, wall panels etc., over the period 2024-2027. Ground based and rooftop solar PV plants (total around 205 MW but individually mostly below 20 MW) on-site and off-site across the promoter's manufacturing sites in Czech Republic, Poland and Slovakia make up two third of the planned investment pipeline. Other potential sub-projects include Battery Energy Storage Systems (BESS) with total capacity of 49 MWh and replacement of forklifts and lorries by zero emission electric vehicles.

The environmental and social due diligence has focused on the Promoter's capacity and capability to implement the schemes in line with the EIB environmental and social standards, as well as on the expected environmental and social impacts of the underlying schemes. The Promoter has in place an environmental management system which is considered adequate. Based on this assessment, the environmental capacity of the Promoter is deemed good. Most of the project schemes under the present operation are expected to be small/medium size schemes (below EUR 80 m). Impacts on the environment from PV plants are likely to include noise, dust and increased traffic during the construction phase and visual and land use impacts during operation. Where relevant, the specific impacts from the schemes and the mitigation measures will be assessed and identified in the environmental permitting process for each specific scheme. The main positive impacts expected are those related to the avoidance of CO₂ emissions related to the electricity generation and use of combustion engines in transportation and logistics activities of the Promoter.

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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Due to their technical characteristics, some of the schemes (e.g. solar PV plants and BESS) are expected to fall under Annex II of Directive 2014/52/EU amending (Environmental Impact Assessment) EIA Directive 2011/92/EU², leaving it to the national competent authority to determine whether an EIA is required considering the relevant criteria listed in Annex III of the said Directive.

The promoter will be required to ensure compliance of all schemes in the EU with relevant EU Directives (EIA as mentioned above, Habitats Directive 92/43/EEC and Birds Directive 2009/147/EC) and national legislation. For large schemes (with an investment cost above EUR 80m), the Bank will review the permitting documentation (including screening decisions) at the appraisal of the individual allocations, and a separate Environmental Social Data Sheet will be published.

The project is aligned to the goals and principles of the Paris Agreement as set out in the Bank's Climate Bank Roadmap and the Energy Lending Policy.

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty Kronospan Holdings PLC is in scope but screened out of the PATH framework, because it is not considered neither high emitting nor high vulnerability.

Social Assessment, where applicable

All the project schemes to be implemented under this framework loan will be constructed at the existing production sites of the promoter as well as on lands already owned by the promoter. Therefore, none of the schemes is expected to lead to expropriations, involuntary physical or economic displacement or resettlement. Schemes with significant negative social impacts shall not be eligible.

Recent reports are pointing out the possibility of use of forced labour in the supply chain of solar PV panels. All schemes need to comply with the Bank's requirements, including applicable provisions of the relevant labour standard of the Bank. The promoter will be required to undertake reasonable efforts to assess and address the labour risks associated with the solar PV panels used in the project, including throughout the supply chain, as required by the EIB E&S Standards. This will include, on a reasonable effort basis, enhanced due diligence also guided by the Promoter's human rights commitment, ensuring that appropriate contractual provisions are cascaded to contractors and suppliers of the sub projects. The Bank will review this as part of the allocation process.

Public Consultation and Stakeholder Engagement

It is expected that for all project components subject to EIA, the public consultation will be carried out under the EIA process, as required by the EIA Directive and national legislation.

Other Environmental and Social Aspects

At the production sites and subsidiaries, the Promoter has established quality and environmental management systems certified according to the International Standards ISO 9001:2008 and ISO 14001:2015. In addition, the Promoter maintains an Occupational Health and Safety Management System, in accordance with industrial standards and the local legislation. Comprehensive annual sustainability reports including environmental and social objectives and indicators are publicly available for the production sites of the Promoter. The environmental management system (EMS) entails provisions for implementation of procedures for identification and evaluation of environmental aspects and establishment of environmental

² Annex II, Section 3(a) "...industrial installations for the production of electricity, steam, and hot water".

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management plans for specific projects. The EMS is subject to regular inspections to assess its performance. The EMS ensure that continuous information and training are provided to the personnel to ensure awareness and competences. The project Promoter has solid organisational structure and sufficient E&S capacity to implement the projects through the subsidiaries in charge of renewable generation, which follow the same policies and standards as the main group.

Conclusions and Recommendations

Based on the information available and with the below conditions and appropriate monitoring, the investments are expected to be acceptable in environmental and social terms for the Bank's financing:

- The Promoter shall ensure environmental compliance of the schemes concerned in line with EIA Directive 2014/52/EU amending 2011/92/EU, and the EU Habitats and Birds Directives (92/43/EEC and 2009/147/EC).
- The Promoter shall not commit any EIB funds against schemes that require an EIA, appropriate assessment or biodiversity assessment according to EU legislation and national law without, prior to commitment, receiving consent from the competent authority, and the EIA Report having been made available to the public.
- For schemes investment cost above EUR 80 m, the Promoter should deliver the environmental documents to the Bank prior to the Bank's approval of the allocation (EIA reports, environmental consent, etc).
- For schemes that may have an impact on a nature conservation site, the promoter shall obtain confirmation from the competent nature conservation authority, or an equivalent confirmation, that the scheme will have no significant impact on any protected site. Schemes with significant negative impacts on a nature conservation site shall not be eligible.
- The Promoter shall store and keep updated any documents that may be relevant for the project (including competent authority decisions, environmental studies related to the EIA, Non-Technical Summaries of the EIA reports, nature/biodiversity assessments or or equivalent documents) supporting the compliance with the EIA Directive Habitats and Birds Directives and national environmental regulations, and shall upon request promptly deliver such documents to the Bank.
- The promoter undertakes to implement the project schemes in line with the requirements of the environmental impact studies (EIA report or others) and Environmental Permits.
- The schemes should comply with the Bank's E&S Standards, which foresee zero tolerance for the use of forced labour. In particular, the promoter shall ensure that the supply chain of the solar PV panels used in the project is compliant with the applicable provisions of the relevant labour standard of the Bank. For this purpose, the promoter undertakes to make reasonable efforts to carry out appropriate due diligence throughout its supply chain, with the aim of avoiding the use of forced labour in the supply chains of the solar panels that will be used for this project. The Bank will assess the relevant documentation before allocation of funds to solar PV projects.