

Luxembourg, 01/10/2025

## Environmental and Social Data Sheet

### Overview

Project Name: ELENIA GREEN BOND (GBPP)  
 Project Number: 2025-0033  
 Country: Finland  
 Project Description: The project supports promoter's distribution network investments via Bank's purchase of green bonds issued under the promoter's EU GB Factsheet.

EIA required: Some of the underlying schemes may require an EIA

Project included in Carbon Footprint Exercise<sup>1</sup>: no  
 (details for projects included are provided in section: "EIB Carbon Footprint Exercise")

### Environmental and Social Assessment

The EIB's participation consists of the purchase of publicly offered bonds issued by Elenia Verkko Oyj (Elenia), Finland's second largest power distribution system operator (DSO) and responsible for operation, maintenance, and development of the electricity distribution network from 0.4 kV up to 110 kV, in its service area. The Project will cover part of the Promoter's multiannual investment plan and may include low, medium and high voltage network elements with automation, telecontrol and smart meters.

The proceeds of the green bonds will be used to finance investments in Finland contributing to the Bank's "Climate Action" objectives (CA&ES). In this specific operation, the bonds will be issued under the Promoter's EU GB Factsheet (GBF), which sets out the applicable eligibility criteria, selection of use of proceeds and reporting examples. The GBF has been published in May 2025 and received a second party opinion confirming that the framework is aligned with the ICMA Green Bond Principles, the European Green Bond Regulation and with the EU Taxonomy.

### Environmental Assessment

The EIB environmental and social due diligence focused on the promoter's capacity to implement the projects to be financed by the bonds in line with the EIB Environmental and Social Standards.

The Promoter has strengthened its environmental management by conducting a double materiality analysis in 2024, identifying key sustainability impacts, risks, and opportunities across its value chain. This analysis, aligned with EU Corporate Sustainability Reporting Directive (CSRD) and European Sustainability Reporting Standards (ESRS), helps the Promoter understand how its operations affect both people and the environment. The Promoter integrates certified environmental systems and requires its partners to uphold similar standards, focusing on preventive measures and incident response—particularly around oil leaks from substations, which are a common environmental risk. It uses more environmentally friendly impregnating agents in the overhead lines poles although this results in shorter lifetime.

<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.



Luxembourg, 01/10/2025

The Promoter prevents adverse environmental impacts already during the planning of the electricity network considering the potential impacts caused by construction to the nature or other cultural heritage, such as groundwater, Natura areas and ancient heritage sites. Systematic management of environmental deviations during operation is in place with special attention to oil and SF<sub>6</sub> gas leakages.

The Promoter has established Safety, Health, Environment and Security Committee comprised of Board of directors' members to monitor environmental matters on high level. The trainings regarding environmental topics are organised annually.

Physical climate change risks relevant to the project schemes, i.e. mainly snow loading, flood and strong winds are mitigated in the design stage, by adapting - as necessary - the design or the location of the equipment or by cabling of overhead lines.

All schemes under this operation are expected to be in line with EIB Climate Action and Environmental Sustainability (CA&ES) requirements, and to have limited residual negative environmental impacts when a proper mitigation hierarchy is applied.

Due to their technical characteristics, some of the investments schemes will fall under Annex II of EIA Directive 2011/92/EU as amended by Directive 2014/52/EU, requiring the competent authority (Centre for Economic Development, Transport and the Environment-ELY Centre) to determine whether an environmental impact assessment should be conducted. During the permitting process, ELY Centre also assesses whether an Appropriate Assessment is needed or not in accordance with EU Habitats Directive.

### **EIB Paris Alignment for Counterparties (PATH) Framework**

The counterparty is in scope and screened out for "high-emitting" and screened in for high vulnerability as per PATH framework.

The counterparty already meets the requirements of the EIB PATH framework with its existing sustainability strategy.

### **Social Assessment**

Certain project schemes may require expropriation of the right-of-way for overhead or underground power lines, or the electricity substations sites. In line with the requirements of EIB Environmental and Social Standard 6, which prioritises the avoidance of involuntary resettlement, the Promoter will commit to not allocating EIB funds to projects that would result in the physical or economic displacement of people, including informal occupants.

The Promoter has a Human Rights Policy in place, rejecting the use of any form of forced or compulsory labour.

In line with the requirements of EIB Environmental and Social Standard 7, which prioritises the avoidance of potential harmful effects of EIB financed projects to vulnerable individuals and groups, none of the projects allocated to EIB financing would adversely affect indigenous people and Sámi homeland.

### **Public Consultation and Stakeholder Engagement**

Public consultations, when necessary, are organised by the competent authority, as part of the permitting process. The Elenia also conducts public consultation for its Network Development Plan.

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

The Promoter is certified to ISO 55001 (Asset), ISO 14001 (Environmental), ISO 45001 (Occupational health and safety) and ISO 27001 (Information Security) management systems.

Luxembourg, 01/10/2025

## Conclusions and Recommendations

The Bank has reviewed the E&S risks associated with the operation as well as the E&S capacity of the Promoter. The promoter's E&S policies and management and its capacity to comply with the EIB's Environmental and Social Standards have been assessed and found to be adequate and commensurate with the E&S risk of the underlying project schemes.

The operation is considered acceptable for Bank financing from a social and environmental point of view, with the following undertakings:

- None of the projects allocated to EIB financing will entail physical or economic displacement, including that of informal occupants of the project site or right-of-way.
- None of the projects allocated to EIB financing will adversely affect indigenous people and Sámi homeland.
- Whenever applicable, the Promoter undertakes to fulfil the requirements of the environmental impact studies (EIA studies or/and others) and Environmental Permits.
- For all projects financed with the bonds that require an EIA, the Promoter will include a link on its web page to EIA studies electronically accessible to the public.
- For all projects financed with the bonds that are likely to have an impact on a protected area of the Natura 2000 Network, the promoter shall obtain confirmation from the competent authority that the scheme does not have a significant negative impact on any such site. The Promoter shall not use the proceeds of the bond to finance projects with significant impacts on such site(s) that adversely affect their integrity.
- The Promoter will ensure that projects comply in all material respects with all laws to which they are subject (including any relevant Environmental and Social Laws) and are EU Taxonomy-aligned or in compliance with the CA&ES Framework.
- The Promoter undertakes that none of the schemes using the green bond proceeds will serve the direct connection (new or refurbished) of generation facilities with lifecycle GHG emissions above 100 gCO<sub>2</sub>e/kWh.
- PATH counterparty undertakes not to engage in incompatible activities, as defined in the "EIB Group PATH Framework"<sup>2</sup>.

---

<sup>2</sup> [The EIB Group PATH Framework: Version 1.2](#)