

Environmental and Social Data Sheet

Overview

Project Name:	NEW FURNITURE PRODUCTION PLANT
Project Number:	2016-0696
Country:	Poland
Project Description:	The proposed EIB loan will support the promoter's capital investments for (i) the construction of a new production facility for upholstered furniture, (ii) the acquisition, installation and ramp-up of the related equipment for furniture production, as well as (iii) a new fully equipped storage facility over the period 2016-19.
EIA required:	yes
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

The local competent environmental authorities have required an EIA for the project according Directive 2014/52/EU amending the EIA Directive 2011/92/EU. A copy of the NTS (Non-technical Summary) has been made available to the Bank and is published on the Bank's website together with the full EIA. The building permit has been granted.

Other Environmental and Social Aspects

As part of Corporate Environmental policy, the Company aims at using certified materials in the manufacturing process, as well as performs test and assessments of quality of its products. In particular, the company complies with the following certifications: FSC® for Wood and wood-based materials, OEKO-TEX® - STANDARD 100 for Textile products as well as Möbelfakta for products quality.

Based on the agreement signed with Ikea, the Company's major customer, the Company adheres to the IWAY Standard, which outlines minimum requirements in the area of environment protection, social and workplace conditions. The Company verifies safety of chemical substances used in the production process and implements procedures aimed at discarding of any health problems stemming from potential exposure.

Although at the moment Sits does not promote specific furniture recycling campaigns, the Company's strategy foresees business practices focused on people, with special consideration given to ecologic aspects of the business. The Company's strategy aims at promoting a "Green by SITS" programme covering initiatives such as purchasing of environment-friendly materials, of which at least 20% from recycling, recycling of 100% of generated waste, minimizing the use of energy.

Aside from the implementation of the "Green by SITS" programme, the Company implements other actions in the field of energy efficiency. Every year Sits is obliged to create a

¹ Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO2e/year absolute (gross) or 20,000 tons CO2e/year relative (net) – both increases and savings.

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Sustainable Supplier Index (SSI) for Ikea in which the Company outlines the impact of its operations on the environment.

Conclusions and Recommendations

The local competent environmental authorities have required an EIA for the project that has obtained the building permit; a copy of which has been made available to the Bank. In the light of the above, the project is eligible for the bank's financing with minor negative environmental residual impact.