

Luxembourg, 06.10.2023

Environmental and Social Data Sheet

Overview

Project Name:	<i>DKB REPOWEREU FL</i>
Project Number:	<i>2023-0182</i>
Country:	<i>Germany</i>
Project Description:	<i>Financing of small to medium size projects in the Renewable Energy sector in Germany.</i>
EIA required:	Some schemes may require an EIA under the relevant legislation.
Project included in Carbon Footprint Exercise ¹ :	no
(details for projects included are provided in section: “EIB Carbon Footprint Exercise”)	

Environmental and Social Assessment

The operation is a Framework Loan (FL) with the Financial Intermediary (FI) Deutsche Kreditbank DKB to finance small and medium scale renewable energy projects (solar PV and onshore wind farms) in Germany.

The operation will contribute to EU energy objectives by supporting investments in new renewable energy generation capacity. The investments will generate environmental benefits in terms of reduction of air pollutants and GHG emissions, ultimately helping to mitigate climate change.

Environmental Assessment

Most of the projects are expected to fall under Annex II of the Environmental Impact Assessment (“EIA”) Directive 2014/52/EU amending Directive 2011/92/EU, requiring the competent authorities to determine whether an ESIA is required or not. Most of the projects are likely to have limited negative environmental impacts, provided that all mitigation measures are implemented. For projects that require an EIA, the Bank will require the Financial Intermediary (FI) to store and keep updated any documents that may be relevant for the project (including EIA screening decisions, environmental studies, environmental monitoring reports or equivalent documents) supporting the compliance with the EIA Directive and national environmental regulations. The Financial Intermediary shall upon request promptly deliver such documents to the Bank. If a project is screened out, then, according to the EIA Directive, this should also be made public, stating the reasons for not requiring such an assessment.

The FI will be required to verify that none of the projects have a significant adverse impact on any site forming part of the EU Natura 2000 network (falling under Habitats Directive 92/43/EEC or Birds Directive 2009/147/EC). For each project that may have an impact on a nature conservation site, written confirmation from the competent nature conservation authority, or an equivalent confirmation satisfactory to the Bank that the mentioned project does not have a

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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significant negative impact on any site of nature conservation importance should be presented, as a condition of disbursement. Projects with significant negative impacts on areas with high biodiversity value, nature conservation areas, including bird migration routes, shall not be eligible.

The operation is fully aligned with 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 is a FI in-scope and screened into the PATH framework. DKB does not currently disclose climate-related matters based on TCFD recommendations in its non-financial report, but the FI is preparing to publish the relevant data under Corporate sustainability reporting (CSRD) for the first time in 2025 for the year 2024. The Group has set sustainability as one of the key pillars of its strategy and is one of the main financiers of renewable energy projects in Germany. The FI has a Net Zero target for 2040 for all of its operations and is planning to regularly report on their progress.

The FI has agreed to report in line with TCFD recommendations within 12 months after contract signature. With this condition in place, the counterparty is deemed to meet the requirements of the PATH framework.

Social Assessment, where applicable

The FI has an ESMS with Code of Ethics in place, rejecting the use of any form of forced or compulsory labour. The FI will be required to undertake, on a best effort basis, enhanced due diligence (supply chain mapping of the PV module manufacturers reaching the level of silicon/polysilicon suppliers and/or declarations by the PV module manufacturers concerning the origin of the components used in the PV modules, per project) also guided by the FI's human rights commitment, and ensuring that appropriate contractual provisions are cascaded to contractors/suppliers of the sub projects.

Public Consultation and Stakeholder Engagement

For projects subject to an environmental impact assessment as defined by national legislation, the FI shall ensure that an E&S assessment is carried out and that public consultation is undertaken in accordance with national legislation and the EIA Directive.

Other Environmental and Social Aspects

The Bank has assessed the FI and deems it to have adequate capacity to ensure compliance with the Bank's E&S requirements.

The FI will be contractually obliged to ensure that all investments comply with the relevant EU Environmental Directives (e.g. EIA Directive 2014/52/EU amending Directive 2011/92/EU, Habitats 92/43/EEC, and Birds Directive 2009/147/EC amending 79/409/EEC) and the EIB's Environmental and Social Standards, as well as the E&S national laws and regulations.

Conclusions and Recommendations

The investments targeted by the operation are expected to have limited social and environmental impacts, provided that all mitigation measures are implemented.

The FI's E&S policies and management capacity are considered adequate and commensurate with the E&S risk of the underlying projects. The following loan undertakings will be included in the legal documentation:

- The FI will be contractually obliged to incorporate the EIB's environmental and social requirements into its legal documentation.



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- The FI shall verify the compliance of the projects with the relevant and applicable rules of the European Union legislation, in particular in the field of environment.
- For projects that may have an impact on a nature conservation site, the FI shall obtain confirmation from the competent nature conservation authority, or an equivalent confirmation satisfactory to the Bank, that the project does not have a significant negative impact on any such site.
- If a scheme falls under Annex I or Annex II of the EIA Directive, the FI shall ensure that the sub-project's promoters comply with the provisions of the EIA Directive as transposed into national law. When relevant, the Financial Intermediary shall undertake to provide the EIB with a website link to the location where the EIA studies (where applicable) are published.
- The FI shall undertake, on a best effort basis, to mitigate against the risk of forced labour in the solar PV supply chain. This will include enhanced due diligence (supply chain mapping of the PV module manufacturers reaching the level of silicon/polysilicon suppliers and/or declarations by the PV module manufacturers concerning the origin of the components used in the PV modules, per project) and ensuring that appropriate contractual provisions are cascaded to final beneficiaries and their contractors/suppliers.
- The FI undertakes to report in line with TCFD recommendations within 12 months following the signature of the finance contract with the EIB.

Under these conditions, the operation is considered satisfactory from an environmental and social compliance perspective.