

Luxembourg, 18.12.2023

Environmental and Social Data Sheet

Overview

Project Name: *EDF GREEN BOND FRAMEWORK (GBPP)*
 Project Number: *2022-0812*
 Country: *France*
 Project Description: *The operation concerns the purchase of Green Bonds to finance distribution network investments in France, as indicated in EDF's green bond framework.*

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

Project included in Carbon Footprint Exercise¹: no
 (details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Environmental and Social Assessment

Environmental Assessment

The operation concerns the acquisition by the EIB of green senior bonds to be issued by EDF SA ("the Group") under its Green Bond Framework (GBF). The proceeds of the green bonds will be used to finance electricity distribution investments in France, contributing to the Bank's "Climate Action" and/or "Environmental Sustainability" objectives (CA&ES).

The Group is the state-owned French electricity utility, one of its subsidiaries being the national distribution system operator (Enedis, or the Promoter). In this specific operation, the bonds will be issued under the Group's GBF, which sets out the applicable eligibility criteria, selection of use of proceeds, and reporting processes. The GBF was presented in 2020 and updated in July 2022, and received a second party opinion indicating that the Framework is aligned with the four core components of the Green Bond Principles 2021, and "likely aligned"² with the applicable Technical Screening Criteria and Do No Significant Harm (DNSH) criteria of the EU Taxonomy. The operation supports overall EU renewable energy objectives by meeting national commitments with respect to greenhouse gas emission reduction. The projects to be financed under this green bond are expected to be electricity distribution infrastructure or equipment.

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

All projects under this operation are expected to be in line with EIB Climate Action and Environmental Sustainability (CA&ES) requirements, and with limited negative environmental impacts, when properly mitigated.

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.

² The Second Party Opinion provider uses the terminology "likely aligned / partially aligned / not aligned", not to indicate an uncertainty in its assessment, but to reflect the current lack of official authority as a verifier of the EU taxonomy.



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Due to their technical characteristics, none of the investments are expected to fall under Annex I of Directive 2014/52/EU amending EIA Directive 2011/92/EU, however for some of the investments, the competent authority may require an environmental impact assessment to be performed.

For all projects financed with the proceeds of the bond, the Promoter will be required to ensure compliance with relevant EU Directives. In all cases where an EIA is required, the French competent authorities ensure that the EIA reports are electronically accessible to the public. In turn, the Promoter shall be required to retain appropriate records evidencing the fact that all projects financed with the proceeds of the bond are in line with national and EU environmental and social legislation.

EIB Paris Alignment for Counterparties (PATH) Framework

- The counterparty EDF Group is in scope and screened in to the PATH framework, because it is considered high emitting and of high vulnerability.
- The counterparty already meets the requirements of the EIB PATH framework with its existing alignment plan.

Public Consultation and Stakeholder Engagement

Public consultations, when necessary, are organised by the competent authority, as part of the permitting process.

Other Environmental and Social Aspects

The Promoter has developed its own corporate environmental management system that follows the principles enshrined in ISO14001. As a member of EDF Group, the promoter contributes to the Group certification delivered under the Science Based Targets (SBTi) related to carbon neutrality objectives.

Conclusions and Recommendations

The Bank reviewed the environmental and social capacity of the Promoter, including its organisation, processes, and procedures, and considers them satisfactory and adequate, and commensurate with the E&S risk of the underlying projects. Based on the information available, 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 of informal occupants of the project site or right-of-way.
- 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 Bond that require an EIA, the Promoter will retain appropriate records evidencing the fact that, for all such projects, the competent authorities made the related EIA studies electronically accessible to the public.
- For all projects financed with the Bond 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 project 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 negative impacts on a nature conservation site.
- All projects financed with the Bond will be in line with EU Taxonomy Substantial Contribution criteria and with selected Do Not Significant Harm criteria.