



Luxembourg, 25.01.2024

Environmental and Social Data Sheet

Overview

Project Name: HEDNO SMART METERS I
 Project Number: 2022-0823
 Country: Greece
 Project Description: Smart metering roll-out in Greece from 2023 to 2026. The operation finances the first phase of HEDNO's country-wide smart metering roll-out, expected to be complete in 2030.

EIA required: no

Project included in Carbon Footprint Exercise¹: no

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Environmental and Social Assessment

The project comprises the supply and installation of 3 120 000 smart meters for LV customers, and the implementation of the associated Advanced Metering Infrastructure (AMI) and Meter Data Management System (MDMS).

Environmental Assessment

The project is not subject to an Environmental Impact Assessment (EIA) in reference to the EIA Directive 2011/92/EU as amended by Directive 2014/52/EU.

The main impacts of the project relate to electromagnetic radiation during data exchange (using NB-IoT), and the disposal of the meters being replaced. Smart meters will comply with the electromagnetic radiation limits set out in guidelines published by national and international organisations. The dismantled meters will be recycled by licensed recycling companies following sustainable waste management practices, in line with the applicable EU directives and Greek legislation.

Whilst smart meters may facilitate energy savings, they are not expected to have significant impact on CO₂ emissions. As a conservative approach, the savings in end-user consumption have not been considered in the Carbon Footprint Exercise.

The Promoter is the Hellenic Electricity Distribution Network Operator (HEDNO), an experienced Distribution System Operator (DSO), and the sole DSO in Greece. The environmental and social due diligence has followed the investment programme lending approach according to the EIB's procedures and standards, i.e. the due diligence focussed on the Promoter's capacity and capability to implement the programme in line with EIB environmental and social standards and requirements. Based on this assessment, the

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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environmental capacity of the Promoter is deemed good, i.e. the Promoter has the experience and the capacity to manage the investment programme.

The operation has been assessed for its Paris alignment. It is considered to be aligned for low carbon, in line with the policies set out in the Climate Bank Roadmap and with the EIB's Energy Lending Policy.

EIB Paris Alignment for Counterparties (PATH) Framework

- The counterparty, PPC S.A., 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 PATH framework with its existing alignment plan.
- The counterparty is in line with the PATH framework resilience requirements.

Social Assessment

Smart meters will help customers access their consumption data easily, increasing awareness of their own energy use, and encouraging behaviours that are more efficient and sustainable. They also enable personalised electricity tariff structures which are better suited to different consumer habits, with dynamic and highly flexible pricing.

Public Consultation and Stakeholder Engagement

The smart metering roll-out is part of the Promoter's 2022-2026 Network Development Plan (NDP), which was under public consultation by the Regulatory Authority for Energy (RAE) until February 2023. It was also included in the 2021-2025 NDP, which had also been issued for public consultation.

Public consultations, when necessary, are organised by the competent authority, as required.

Other Environmental and Social Aspects

The Promoter's health and safety department is certified to ISO 45001 (Occupational health and safety), and its transformer repair workshop in Athens is certified to ISO 14001 (Environmental management).

Conclusions and Recommendations

The Bank reviewed the environmental and social capacity of the Promoter, including its organisation, processes, and procedures, and considers them satisfactory. Based on the information available, the project is expected to be acceptable in environmental and social terms for the Bank's financing.

The project benefits from financing under the Recovery and Resiliency Fund (RRF) and is expected to ensure that it does no significant harm to any of the six environmental objectives within the meaning of the Taxonomy Regulation (EU) 2020/852 (the principle of "do no significant harm" (DNSH)). This was confirmed also, as part of the overall due diligence for the RRF Loan. Based on the information provided by the Promoter in a sustainability proofing study for environment and climate dimensions, it was concluded that no further assessment and proofing is required as no significant residual impact of the project has been identified. Overall, the project complies with the DNSH principle, by satisfying the conditions stipulated in the



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Council Implementing Decision Annex on the approval of the assessment of the recovery and resilience plan for Greece.