

Luxembourg, 8th June 2022

Environmental and Social Data Sheet

Overview

Project Name:	MIROVA ENERGY TRANSITION 5 (2021-0210)
Project Number:	2021-0210
Country:	Regional – EU countries
Project Description:	Equity Fund investing in renewable energy/energy transition (PV, on/offshore wind, hydro, biomass, energy storage, etc.), mobility (charging infrastructure, electric vehicles etc.), energy transition projects across Europe and potentially (up to 10%) in non-EU OECD countries.
EIA required:	Multiple project schemes, some may require an EIA
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

Mirova Energy Transition Fund 5 (“MET5” or the “Fund”) is the fifth operation of MIROVA, which is a French investment platform dedicated to energy transition, active since 2002 and originally focused on windfarms in France. The Fund is mainly active in core infrastructure in renewable energy (wind, solar, hydro, biomass), energy storage (pumped storage, batteries), and mobility (electric vehicles, charging stations). A significant majority of the Fund’s investments will be located in EU countries and up to 10% in other OECD countries.

This operation will contribute to the EU-wide 2030 target of 32% final energy consumption coming from renewable energy (RE) sources as laid out in RE Directive 2018/2001. It further contributes to the security of energy supply, environment, and climate change mitigation. The operation is aligned with the Bank’s objectives on Environmental Sustainability and Climate Action. The investments will generate environmental benefits in terms of reduction of pollutants and greenhouse gas emissions. It will contribute to the Bank’s objectives to develop a more sustainable bio-economy.

Some of the Fund’s underlying investments may fall under Annex I or II of EIA (environmental impact assessment) Directive 2014/52/EU amending EIA Directive 2011/92/EU. In these cases, the Bank requires the Fund Manager to ensure that investee companies act according to the provisions of the aforementioned Directive as transposed into national law. Should the relevant competent authority screen in an investment project, the Fund Manager should ensure that the Non-Technical Summary (NTS) and EIA documents are published on 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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website of the project promoter or of the Fund. The Fund Manager will be required to verify that none of the schemes has a significant adverse impact on any site of nature conservation importance and will be required to obtain and provide the EIBG with written confirmation to this effect from the competent authority, or an equivalent confirmation satisfactory to the EIBG.

The legal documentation to be concluded between the Fund Manager and the Bank shall include an obligation on the Fund to ensure that all projects are in compliance with national and EU legislation, as well as the Bank's Excluded and Restricted Lists of activities and the Bank's Environmental and Social standards (where applicable).

EIB Carbon Footprint Exercise

According to the existing pipeline, the Fund's investments are expected to contribute to climate action mitigation. The Fund will contribute to the development of renewable energy, reducing CO₂ emissions and increasing the participation of RE in the energy mix. GHG emission reductions will be calculated during monitoring.

Social Assessment

There are no material issues identified at this stage in relation to social aspects in the expected pipeline. However, the ESMS will duly define the policies and procedures related to social aspects that will apply to the investments.

The Fund seeks to be involved in operations that sustainably foster business growth and economic development, thereby helping to stimulate long-term employment.

Public Consultation and Stakeholder Engagement

Where required, the Fund Manager will ensure that a consultation process with stakeholders takes place and that an appropriate grievance mechanism is available including the development of a communication mechanism for external stakeholders as part of its Grievance Redress Mechanism, for the underlying investments. The Fund Manager will also set up a grievance mechanism at fund level.

Other Environmental and Social Aspects

The Fund has good expertise and appropriate procedures to ensure E&S due diligence as part of its investment process. In addition, these will be complemented with EIBG requirements.

As part of its Environmental and Social Governance, the Fund Manager has designated an environmental responsible, who manages all of the environmental and social activities and aspects and maintains and operates an appropriate environmental and social management system (ESMS).

Conclusions and Recommendations

Overall, the project is expected to bring positive environmental and social impacts, with acceptable environmental and social risks.



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The Bank's environmental and social requirements have been shared with the Fund Manager and, during appraisal, it has been verified that the Fund Manager is willing and capable to fully implement them at fund level but also at portfolio company level.

In addition to the requirements already mentioned, the following loan conditions will be included in the legal documentation:

- The Fund shall not invest in companies that do not comply with EIB environmental and social standards.
- The Fund Manager will maintain its ESMS, in line with EIB's environmental and social requirements to the satisfaction of the Bank, including the development of a communication mechanism for external stakeholders as part of its Grievance Mechanism.

The Fund Manager will, on an annual basis, prepare and submit to the Bank an aggregated E&S performance report that will include an update on its ESMS procedures as well as the E&S performance of its sub-projects. The Fund Manager shall also ensure immediate reporting to the EIB of any serious incidents, such as fatalities or breaches of law, in any of its activities or sub-projects.

- For investments using biomass, the Fund Manager shall ensure that the projects exclusively use sustainable biomass complying with the respective EU Directives and forest Regulations, and excluding biomass coming from irrigated plantations or from areas with natural forest conversion and logging of primary moist and tropical forests.
- The Fund Manager and the investee companies ensure that the underlying investments in the hydropower sector comply with the EIB guidelines on hydropower development.
- The Fund shall store and maintain updated the relevant documents (including environmental studies related to the EIA, the Non-Technical Summaries of the EIAs, and Nature/Biodiversity Assessments or equivalent documents supporting compliance with the EU Habitats and Birds Directives), to be provided to the EIF upon request. In case the EIF requires such documentation, the Fund shall provide all documents requested promptly.

With these contractual conditions in place, the operation is acceptable for EIB financing in environmental and social terms.