

**DOCUMENT OF THE EUROPEAN BANK  
FOR RECONSTRUCTION AND DEVELOPMENT**

Approved by the Board of Directors on 4 December  
2024<sup>1</sup>

**POLAND**

**NEPTUNE**

*[Redacted in line with the EBRD's Access to Information Policy]*

*[Information considered confidential has been removed from this document in accordance with the EBRD's Access to Information Policy (AIP). Such removed information is considered confidential because it falls under one of the provisions of Section III, paragraph 2 of the AIP]*

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<sup>1</sup> As per section 1.4.8 of EBRD's Directive on Access to Information (2019), the Bank shall disclose Board reports for State Sector Projects within 30 calendar days of approval of the relevant Project by the Board of Directors. Confidential information has been removed from the Board report.

For the avoidance of any doubt, the information set out here was accurate as at the date of preparation of this document, prior to consideration and approval of the project.

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## ABBREVIATIONS / CURRENCY CONVERSIONS

CfD	Contract for Difference
COD	Commercial Operations Date
CPI	Consumer Price Index
DSCR	Debt Service Coverage Ratio
DSRF	Debt Service Reserve Facility
EBITDA	Earnings before Interest, Taxes, Depreciation, and Amortization
EPC	Engineering, Procurement, and Construction
ESAP	Environmental and Social Action Plan
EUR	Euro
EYA	Energy Yield Assessment
LTA	Lenders' Technical Advisor
MW	Megawatt
MWh	Megawatt-hour
O&M	Operations and Maintenance
PLN	Polish Zloty
PPA	Power Purchase Agreement
RES	Renewable Energy Sources
SPV	Special Purpose Vehicle
TSA	Turbine Supply Agreement
WTG	Wind Turbine Generators

## CURRENCY EQUIVALENTS

PLN / EUR (current)	4.3
DKK / EUR (current)	7.44

## WEIGHTS AND MEASURES

1 Megawatt	(MW)	=	1,000 kilowatts ( $10^3$ kW)
1 Gigawatt	(GW)	=	1 million kilowatts ( $10^6$ kW)
1 Megawatt-hour	(MWh)	=	1,000 kilowatt-hours ( $10^3$ kWh)
1 Gigawatt-hour	(GWh)	=	1 million kilowatt-hours ( $10^6$ kWh)

## **PRESIDENT'S RECOMMENDATION**

This recommendation and the attached Report concerning a debt financing package in favour of PGE Baltica 6 Sp. z o.o. (the “Borrower”, “HoldCo”), a company which owns 50% of the shares of Elektrownia Wiatrowa Baltica-2 Sp. z o.o. (the “ProjectCo”), a special purpose vehicle, incorporated in Poland, established for the sole purpose of the development, construction, and operation of a 1.5GW offshore wind farm to be located in the Polish Exclusive Economic Zone of the Baltic Sea (“Project”), are submitted for consideration by the Board of Directors.

The Borrower is a limited liability company incorporated in Poland and owned by PGE Polska Grupa Energetyczna S.A. (“PGE”), the largest vertically integrated Polish power utility. The remaining 50% of the ProjectCo’s shares are indirectly owned by Ørsted A/S (“Ørsted”), one of the global offshore wind power industry leaders (together with PGE, jointly the “Sponsors”).

The EBRD financing will consist of an up to EUR 270 million of non-recourse long-term senior debt and ancillary facilities.

The operation will enable the ProjectCo to finance the construction and operation of the 1.5GW Baltica 2 offshore wind farm, which will be the second offshore project for the Bank and the largest such wind farm in the first phase of the Polish offshore roll-out. The expected transition impact arises from the Green Transition Quality as the wind farm will generate over 4,894 GWh of electricity from renewable sources and contribute to over 3.5 million tonnes of CO2 savings annually. The operation will be 100% GET.

I am satisfied that the operation is consistent with the Bank’s Strategy for Poland, the Energy Sector Strategy, the Green Economy Transition approach and with the Agreement Establishing the Bank.

I recommend that the Board approve the proposed loan substantially on the terms of the attached Report.

**Odile Renaud-Basso**

## BOARD DECISION SHEET

POLAND - NEPTUNE - DTM 55312	
<b>Transaction / Board Decision</b>	Board approval <sup>2</sup> is sought for a non-recourse long-term senior loan of up to EUR 270 million in favour of PGE Baltica 6 Sp. z o.o. (the “Borrower”, “HoldCo”), a limited liability company incorporated in Poland.
<b>Client</b>	<p>The Borrower is a holding company and owns 50% of the shares in Elektrownia Wiatrowa Baltica-2 Sp. z o.o., (“ProjectCo”), a dedicated special purpose vehicle set up for the purpose of development, construction and operation of a 1.5GW offshore wind project in the Baltic Sea (the “Project”). All Project rights are owned by the ProjectCo, which is 50% owned by the Borrower, ultimately owned by PGE Polska Grupa Energetyczna S.A. (“PGE”) and 50% [REDACTED] ultimately owned by Ørsted A/S (“Ørsted”) (jointly with PGE the “Sponsors”). PGE [REDACTED] is the largest vertically integrated Polish power utility Group, listed at the Warsaw Stock Exchange with Polish State Treasury remaining the largest (60.86%) shareholder. Ørsted is one of the global offshore industry leaders.</p> <p>Under a 50-50 joint venture, the Sponsors are finalising the development and will construct and operate the Project. The Sponsors are both rated Baa1 - Stable by Moody’s and BBB+ Stable by Fitch. [REDACTED].</p> <p>PGE is an existing client in Poland – Financing extension and upgrade of electricity distribution network.</p>
<b>Main Elements of the Proposal</b>	<ul style="list-style-type: none"> <li>• <u>Transition impact</u>: Green TI Quality (100% GET).</li> <li>• <u>Additionality</u>: stems from the large scale of the Project, its relatively innovative nature and longer tenor than commonly available to clients in the market. EBRD’s ability to mitigate non-financial risks and inclusion of EBRD higher environmental standards play another important factor.</li> <li>• <u>Sound banking</u>: the Project benefits from a robust CfD scheme. [REDACTED].</li> </ul>
<b>Key Risks</b>	<ul style="list-style-type: none"> <li>• <u>Regulatory risk</u>: The Project off-take strategy is based on Polish CfD support scheme of 25 years. The Bank takes comfort from the EU wide energy legal/regulatory framework [REDACTED].</li> <li>• <u>Construction risk</u>: [REDACTED] The key mitigating factors are experience [REDACTED] and the financial strength of the Sponsors.</li> </ul>
<b>Strategic Fit Summary</b>	<p><i>Poland Country Strategy</i> underlines “scaling up renewables and accelerating decarbonisation” under the Strategic Priority of Promoting Green Economy Transition in Poland.</p> <p><i>Energy Sector Strategy</i> also envisages scaling up renewable energy sources, which remains at the centre of the Bank's low-carbon transition agenda as well as the Bank’s Green Economy Transition Approach.</p>

<sup>2</sup> Article 27 of the AEB provides the basis for this decision.

## ADDITIONAL SUMMARY TERMS FACTSHEET

<b>EBRD Transaction</b>	Up to EUR 270 million non-recourse long-term senior loan and ancillary facilities in favour of PGE Baltica 6 Sp. z o.o. to finance the construction and operation of the Project, being 1.5GW Baltica 2 offshore wind farm in Poland. The Project is being implemented through a 50-50 joint venture between PGE and Ørsted. [REDACTED].
<b>Existing Exposure</b>	The Borrower is a new client, no existing exposure. Existing exposure to PGE, outstanding amount of PLN 281.3 million (c. EUR 65 million) as of November 2024, from the original PLN 500 million (c. EUR 111 million) financing for the extension and upgrade of electricity distribution network signed in June 2017.
<b>Maturity / Exit / Repayment</b>	[REDACTED].
<b>POTENTIAL AMI ELIGIBLE FINANCING</b>	None. [REDACTED]
<b>Use of Proceeds – Description</b>	The [REDACTED] finance and refinance the development, construction and operation of a 1.5GW greenfield off-shore wind power plant. [REDACTED] Given the construction is about to start vast majority of Project costs will only be incurred after signing.
<b>Investment Plan</b>	[REDACTED]
<b>Financing Plan</b>	[REDACTED]
<b>Key Parties Involved</b>	[REDACTED]
<b>Conditions to subscription / disbursement</b>	[REDACTED]
<b>Key Covenants</b>	[REDACTED]
<b>Security / Guarantees</b>	[REDACTED]
<b>Other material agreements</b>	[REDACTED]
<b>Associated Donor Funded TC and Blended Concessional Finance</b>	None

[REDACTED]

## INVESTMENT PROPOSAL SUMMARY

### 1. STRATEGIC FIT AND KEY ISSUES

#### 1.1 STRATEGIC CONTEXT

In the context of the climate crisis coupled with the recent geopolitical turmoil and threats to energy security, the acceleration of green transition has become a strategic priority not only for Poland, but for the EU as a whole. The ambitious objectives of the European Climate Law include reaching climate neutrality by 2050 and a 55% reduction of net greenhouse gas (GHG) emissions by 2030, compared with 1990 levels. Those have been additionally reinforced by the REPowerEU, which has not only set increased binding target for the share of renewables in the final energy consumption to 42.5% in 2030 (with the ambition remaining at 45%) but has also underlined the importance of the energy security, including the removal of the European dependence on gas imports.

The energy transition remains particularly important for Poland, where coal still accounts for the majority of the energy mix. The Polish authorities have recently updated the country ambitions by presenting more ambitious scenarios under the National Energy and Climate Plan (“NECP”), which have been presented for public consultations in October 2024 and set a target of increasing the current 28% share of renewables in the electricity production (in 2023) to 58% in 2030 and reaching 66% by 2040. This growth is critical to allow for phase out of coal from 61% in 2023 down to 23% in 2030. The NECP reconfirms the importance of the offshore wind in achieving these ambitions.

Taking into account the scale of the energy transition challenge, the roll-out of renewables needs to be counted in GWs rather than MWs of installed capacity. Offshore wind is the technology which is able to achieve such scale. That said the offshore wind segment remains a relatively nascent segment in Poland and the region. Following the successful financing of Baltic Power project in 2023, this Project [REDACTED] will be the second offshore project for the Bank [REDACTED].

Investments in the Polish energy transformation require significant funding requirements. According to NECP estimates over EUR 152 billion of capital expenditures will be needed in the electricity generation segment alone by 2040, of which approx. 60% is attributed to RES generation. In addition, the transmission and electricity distribution are expected to require additional ca EUR 43 billion. [REDACTED].

The Project is fully consistent with the objectives stated in the Bank’s:

- (i) Strategy for Poland underlining “scaling up renewables and accelerating decarbonisation” under the Strategic Priority of Promoting Green Economy Transition in Poland,
- (ii) Energy Sector Strategy also envisaging scaling up renewable energy sources, and
- (iii) Capital Framework 2021-2025/GET 2.1, “supporting green, low carbon transition through investment in climate resilient infrastructure.”

This Project offers EBRD the opportunity to continue to finance projects and further strengthen Poland's renewable sector and private market to aid the low carbon transition despite the challenging geopolitical environment.

#### Bank's relationship with PGE S.A.

The proposed Project will be the second operation with PGE. The existing transaction with PGE is a corporate loan (Grid Enhancement for Renewables now completed and repaying) signed in 2017 under the Integrated Approach to Renewables framework. The operation was evaluated in 2023, overall good performance of the project was reconfirmed, based on outstanding rating for relevance and efficiency and standard effectiveness. [REDACTED].

## 1.2 TRANSITION IMPACT

The Project targets the Green TI Quality (Green Direct Track) through the addition of 1.5 GW of renewable capacity from wind generation to the Polish energy system. This capacity will bring more than 3.5 million tonnes of annual emissions savings and generate 4,894 GWh of electricity per annum, equal to c. 3% of Poland annual electricity production. This Project is the second and the largest offshore wind project in the first phase of offshore rollout in Poland and relies on government supported CfD auction scheme awarded in April 2021. The table below sets out the TI Objectives and details of the Project.

#### **Primary Quality: Green – Direct Track**

Obj. No.	Objective	Details
1.1	<i>The percentage of EBRD use of proceeds that supports a green economy transition and therefore qualifies as GET finance exceeds 60%.</i>	100% of Project proceeds will be used for the development, construction, and operation of the Baltica 2 offshore windfarm. The Project will increase renewable energy generation capacity in Poland by 1.5GW, by producing c. 4,894GWh of electricity per annum, and thus contributing to the reduction of more than 3.5 million tonnes of GHG emissions per annum.
1.2	<i>The project introduces one of the first three of its kind green products or technologies that are innovative at the national or regional level.</i>	The Project represents the second, but also the largest offshore wind farm in the first phase of the offshore rollout in Poland.
1.3	<i>The project results in new renewable energy generation equivalent</i>	The Project is expected to produce circa 4,894GWh of green energy every year,



	<i>to at least 0.3 % of annual electricity generation, so significantly contributes to greening the electricity grid.</i>	representing circa 3% of today's Poland electricity generation.
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**Delivery risks:** The delivery of the objectives could be affected by the construction and operation risk of the Project, including a delay in interconnection by the transmission operator, while regulatory changes could affect the economic viability of the Project.

### 1.3 ADDITIONALITY

Identified triggers*	Description
No triggers identified.	n/a

Additionality sources	Evidence of additionality sources
<b>Risk mitigation</b> EBRD provides comfort to clients and investors, financial or strategic, by mitigating <b>non-financial risks</b> , such as country, regulatory, project, economic cycle, or political risks.	EBRD provides comfort to the co-lenders in relation to the country, regulatory, and political risks related to financing renewable energy projects in Poland. [REDACTED].
<b>Financing structure</b> EBRD offers a <b>tenor</b> , which is longer than commonly available to the clients in the market on reasonable terms and conditions.	EBRD loan tenor [REDACTED] is one of the longest project financings in the country and is structured to take into account the long lead time and implementation period of the Project as well as long term of the support system. HoldCo level financing remains a novel forum of financing in Polish renewables, which is expected to grow on importance in the energy and infrastructure sectors in the Bank's COOs. [REDACTED].
<b>Standard-setting: helping projects and clients achieve higher standards</b> Client makes use of EBRD expertise on higher environmental standards, above 'business as usual.	The Borrower will apply higher EBRD environmental standards (which otherwise would not have been applied to this extent) to ensure the Bank's involvement in the Project. [REDACTED].

## 1.4 SOUND BANKING - KEY RISKS

<b>Risks</b>	<b>Effect / Probability</b>	<b>Comments</b>
<b>Regulatory Risk</b>	Medium/Low	<p>The Project offtake strategy fully relies on a 25-year CfD scheme awarded in April 2021. Individually, Baltica 2 was granted state aid approval by the EC in September 2022 and the maximum strike price was confirmed by the Energy Regulatory Office President in December 2022. [REDACTED].</p> <p><u>Mitigants:</u></p> <ul style="list-style-type: none"> <li>• The CfD scheme has been extensively consulted with the energy industry and received full support from all major political fractions. [REDACTED]. EU level green ambitions adds further comfort;</li> <li>• [REDACTED]</li> </ul>
<b>Grid Connection</b>	Low/Medium	[REDACTED]
<b>Construction/ Technology/ supply risk</b>	Medium/Medium	[REDACTED]
<b>Security structure</b>	Low/Medium	The structure envisages holding level financing. [REDACTED].

## 2. MEASURING / MONITORING SUCCESS

### Transition Impact Monitoring Indicators

#### TI indicator(s), primary Quality: Green

<b>Obj . No.</b>	<b>Monitoring indicator</b>	<b>Details</b>	<b>Baseline</b>	<b>Target</b>	<b>Due date</b>
1.1	Renewable energy - electricity produced (MWh/year)	Additional expected electricity production from wind generation.	0	4,894 GWh	[REDACTED]
1.2	CO2e emissions reduced (tonnes/year)	CO2 savings from generation of electricity from renewable energy source.	0	3.5m	[REDACTED]
1.3	Renewable energy capacity installed (MW)	Additional capacity of wind generation.	0	1.5GW	[REDACTED]

### 3. KEY PARTIES

#### 3.1 BORROWER / INVESTEE COMPANY

PGE Baltica 6 Sp. z o.o., a limited liability company organised in Poland, that owns shares in Elektrownia Wiatrowa Baltica-2 Sp. z o.o., a special purpose vehicle incorporated in Poland for the development, construction and operation of the 1.5GW offshore wind farm to be located in the Baltic Sea. The ProjectCo is indirectly owned by PGE Polska Grupa Energetyczna S.A. the Polish utility (holding 50% shares), and Ørsted A/S, one of the global offshore industry leaders (holding 50% shares).

#### 3.2 SPONSORS

Polska Grupa Energetyczna PGE S.A. is the largest vertically integrated Polish power utility, with its operations concentrated in Eastern and Central Poland. PGE is active in conventional and renewable energy generation, district heating, supply, railway energy services and electricity distribution. The company is majority (60.86%) state-owned and is listed on the Warsaw Stock Exchange with market capitalization of EUR 3.6 billion (as of October 2024).

Ørsted A/S develops, constructs, and operates offshore and onshore wind farms, solar farms, energy storage facilities, and bioenergy plants, and provides energy products to its customers. Ørsted's offshore capacity is c. 25% of the global market share and it is the global leader in the offshore wind market. The company is majority (50.1%) state-owned and is listed on the Nasdaq Copenhagen with market capitalization of EUR 24.6 billion (as of October 2024).

Please refer to Annex 4 for more details about the Sponsors.

#### 3.3 CO-LENDERS

[REDACTED]

#### 3.4 OTHER KEY COUNTERPARTIES

[REDACTED]

### 4. MARKET CONTEXT

Coal has dominated Poland's power landscape, accounting for an estimated 52% of its total installed electricity capacity and 61% of the total electricity generation as of December 2023. While the Polish government has announced plans to scale down the coal power segment, the fuel remains the dominant raw material in the country's electricity mix in the next decade. Use of coal is planned to decline to 30-23% of total generation in 2030 and 1.3% in 2040.

To accelerate the decarbonisation of the Polish economy, in October 2024, the Ministry of Climate and Environment introduced the revised National Energy and Climate Plan (“NECP”) which assumes a significant increase of the share of renewable electricity generation (from 28% in 2023 to 58% in 2030). To facilitate the increase of renewables, Poland has adopted a Contract for Difference (“CfD”) support scheme in 2015. To date seven large scale auctions have been held between 2018 and 2023, which are expected

to result in deployment of 12.8 GW of renewable capacity (5.4 GW in wind, 7.4 GW in solar). Further 9 GW is expected to be added by subsequent auctions to be held until 2027.

In January 2021, Poland signed a bill to introduce a support scheme for electricity generation by offshore wind farms. The support scheme will be rolled out in two phases. During the transition phase (phase 1) support is granted on the basis of an administrative decision for a total capacity of 5.9GW, originally set at 319.60 PLN/MWh (ca. 72 EUR/MWh). Phase 2 will be based on public tenders consistently with the CfD system currently active. Subsequent adjustments to the scheme included adding the flexibility for bidders to choose between EUR and PLN tariff, CPI indexation of the tariff and setting the target size of the second phase at 12GW. While the tariff for individual offshore projects is administratively awarded, it remains subject to an EU notification process, followed by additional verification by the Energy Regulator – both of those verifications were passed positively for the Project.

## **5. FINANCIAL ANALYSIS**

### **5.1 FINANCIAL PROJECTIONS**

[REDACTED]

### **5.2 SENSITIVITY ANALYSIS**

[REDACTED]

### **5.3 PROJECTED PROFITABILITY FOR THE BANK**

[REDACTED]

## **6. OTHER KEY CONSIDERATIONS**

### **6.1 ENVIRONMENT**

Category A (ESP 2019). The construction of a large offshore wind farm of 1.5 GW together with associated infrastructure located in the Polish Economic Exclusive Zone of the Baltic Sea approximately 40km from the shore. The Project has been subject to a National Environmental Impact Assessment process for both the offshore and onshore connection infrastructure (export cables, onshore cables, onshore substation) part of the Project and permits have been issued by Competent Authorities in 2020 (updated in 2023) and 2022, respectively. The construction of the "Operations and Maintenance Base in the Port of Ustka" will serve to prepare a base providing facilities for the operation of offshore wind farms. Installation terminal will be located at the port of Gdansk, will serve multiple future offshore windfarms and has been excluded as an associated facility to the Project. Onshore infrastructure has been sited next to sub stations and cable routes of other permitted offshore wind farms to limit habitat fragmentation and other E&S impacts.

The Project is a part of a larger development of offshore wind in Poland that will total 8 GW in the medium term. The development of the Polish offshore wind was subject to a strategic assessment in 2020.

The nature of the development and size of operations including both onshore and offshore require a full Environmental and Social Impact Assessment ("ESIA") in line with the Bank's and Lenders' requirements. The ESDD has confirmed that the Project is in compliance with Polish and EU requirements and that an appropriate EIA and Habitats assessment has been undertaken. Through additional ESIA documentation comprising Livelihood Restoration Framework, Critical Habitat Assessment, Stakeholder Engagement Plan, Non-Technical Summary and Environmental and Social Action Plan the Project Sponsors have committed to compliance with Lenders E&S requirements, including Bank's Performance Requirements.

The impact assessment for birds is comprehensive and supported, detailing the potential barrier impacts and collision risk assessment. Overall, taking all potential impacts into account, moderate impacts on seabirds from noise, light, vessel activity and a barrier effect are concluded during both the construction and operation phases. However, given the nearness of the site of nature conservation Slupsk bank, which is the overwintering, resting and breeding ground for birds, a 5 km wide migration corridor will be created in the direction of migration of most species of seabirds (northeast - southwest), facilitating their access to these areas. Moreover, the Sponsor has committed to implementing state of the art radar systems for monitoring of bird collision risks and agreed to use materiality assessment for implementing shut down on demand procedure. With that mitigation the studies concluded that the Project will not lead to the displacement of bird species habitats within the sites of nature conservation.

Considering underwater noise may cause a significant negative impact on protected marine organisms (fish and mammals) in the Natura 2000 site Ostoja Slowinska (PLH220023), a noise- reduction system will be implemented during the execution of the works. The fundamental condition determining the selection of specific noise reduction solutions will be not to exceed the temporary threshold values for fish and marine mammals at the boundary of the Natura 2000 site Ostoja Slowinska (PLH220023). Further, the permits require ban on piling works between November to end of April each year to limit impacts on the mammals and wintering birds. The Sponsors have committed to real time monitoring of the presence of the marine mammals in the offshore construction area and adaptive management.

Social impacts of the Project related to onshore land acquisition, livelihood impacts on local fishermen, construction stage workers influx and construction heritage impacts, both terrestrial and underwater, have been assessed during the ESDD and Livelihood Restoration Framework was developed, agreed with the Borrower and ProjectCo, and disclosed publicly to align the Project to PR5 requirements. The LRF obliges the Client to compensation activities, including livelihoods restoration measures for the fisheries and other affected parties, in line with Entitlement Matrix and PR5 requirements. Prior to the impact occurring to the fisheries and other affected parties, the ProjectCo will develop and start the implementation of the Livelihood Restoration Plan (LRP) referencing the "Sector Deal" considered at the central government by Ministries of Climate, Energy and Agribusiness. LRP will be disclosed to the affected people prior its finalisation and be implemented, together with the "Sector Deal", to meet PR5 standards.

As committed in the SEP, further public consultation will be undertaken during the ESIA disclosure period with local communities and ESIA disclosure consultation meetings report will be produced and disclosed together with ESIA pack prior to the

Project approval. Based on the ESDD an Environmental and Social Action Plan ("ESAP") has been developed to address identified gaps and structure the Project in line with the Bank's PRs. The Bank will monitor further project preparation activities, construction, and operational phases with assistance of the Independent E&S Consultant.

## **6.2 INTEGRITY**

In conjunction with OCCO, integrity due diligence was undertaken on the Borrower, ProjectCo, its shareholders, senior management and other relevant parties. [REDACTED].

All actions required by applicable EBRD procedures relevant to the prevention of money laundering, terrorist financing and other integrity issues have been taken with respect to the Project, and the Project files contain the integrity checklists and other required documentation which have been properly and accurately completed to proceed with the Project.

**ANNEXES TO OPERATION REPORT**

Annex 1	Shareholding Structure
Annex 2	Domiciliation
Annex 3	Green Assessment
Annex 4	Financial Information (Sponsors)
Annex 5	Project Implementation

## **ANNEX 1 – SHAREHOLDING STRUCTURE**

[REDACTED]

## **ANNEX 2 – DOMICILIATION**

[REDACTED]



### ANNEX 3 – GREEN ASSESSMENTS

Indicative determination of Paris alignment for direct finance projects <i>Aligned</i>	
Indicatively assessed as aligned with Paris Agreement mitigation goals	Yes
Additional comments:	<i>Paris aligned for mitigation goals as the project will add a new renewable capacity to reduce the emission of CO2.</i>
Proposed preliminary GET finance	
Proposed preliminary GET share (%)	100%
Additional comments:	100% of proceeds will go towards developing a 1.5GW wind farm. The Project is expected to generate ca 4,894GWh of green electricity annually (with an expected capacity factor of c. 37%), which will lead to an annual reduction in GHG emissions estimated at 3.5m t CO2 annually.

#### SUMMARY

- The Project will finance the construction and operation of the 1.5GW Baltica 2 offshore wind farm in Poland.
- The Project is determined aligned with both mitigation and adaptation goals of the Paris Agreement.
- The Project is attributed 100% GET.

[REDACTED]

#### PARIS ALIGNMENT ASSESSMENT

The Project is determined as aligned with the mitigation goals of the Paris Agreement based on the application of the Bank's Paris alignment approach for direct finance.

- The Project's activity is included in the 'MDBs' aligned list' under the category Generation of renewable energy from solar, wind, wave power, run-of-the-river hydro, or geothermal with negligible lifecycle GHG emissions.
- The Project is consistent with the substantial contribution criteria of the EU Taxonomy Renewable Energy Generation: wind powered generation.
- There are no activities included in the 'non-aligned list'.

#### *Alignment with the adaptation goals of Paris Agreement*

The Project is determined as aligned with the adaptation goals of the Paris Agreement as it satisfies all three steps of the assessment. All material physical climate risks have been identified in the ESIA addressed in the design of the asset.

#### CLIMATE RELATED FINANCIAL RISK

Carbon transition risk	
Final carbon transition risk score for the key counterparty of risk	
Evaluation of carbon transition risks for the key counterparty of risk	N/A

Physical climate risk	
Final physical climate risk score for the key counterparty of risk	
Evaluation of the physical climate risk for the key counterparty of risk (if different from the borrower)	N/A

### GET ATTRIBUTION

The Project is attributed 100% GET. This share has been calculated in line with the section 1.1 [GET Handbook](#). The expected impacts are based on a capacity factor of 37.3% 4,894 GWh annual production leading to a reduction of 3.5 Million tCO<sub>2</sub>/yr. [REDACTED].

**ANNEX 4 – FINANCIAL INFORMATION (SPONSORS)**  
[REDACTED]

## **ANNEX 5 - PROJECT IMPLEMENTATION**