

The European Energy
Efficiency Fund (eeef)

Impact Report 2025


eeef
EUROPEAN ENERGY
EFFICIENCY FUND


Gresham House
Specialist investment

Contents

Introduction	3
Executive Summary	4
Portfolio Overview	5
Direct Investments	8
Financial Intermediaries	15
Technical Assistance	17
Sustainability and Environmental & Social Management	22
Conclusion	28
Glossary	29





Introduction

The European Energy Efficiency Fund (eeef) was established to support the decarbonisation of public infrastructure across Europe by financing energy efficiency, renewable energy and clean urban transport solutions. Municipalities, public institutions and local service providers are central to Europe's climate transition, yet often face financial, technical and operational barriers that slow the adoption of low-carbon technologies. The eeef responds to this challenge by offering tailored financing instruments that enable public-sector entities to modernise essential services while maintaining long-term affordability.

This Impact Report provides an overview of the Fund's activities and environmental performance during 2025. It explains the Fund's investment approach, describes the composition and development of the portfolio and outlines the role of the Social and Environmental Management System (SEMS) in maintaining high standards of environmental, social and governance performance across the portfolio. The report also details how the Fund aligns its investment processes with the EU Taxonomy for Sustainable Activities, ensuring that financed projects support climate objectives and adhere to the Do No Significant Harm (DNSH) principle and Minimum Social Safeguards.

In addition to quantitative impact metrics, the report presents qualitative information on project implementation, deployment and operational performance, including case studies from across the Fund's Direct Investment and Financial Intermediary portfolios. Technical Assistance (TA) activities undertaken during the year are presented as part of the Fund's broader contribution to future municipal investment readiness. As their impacts are expected to materialise in future periods, they are not included in the impact metrics reported for the current year.

The Impact Report is intended to provide transparency to investors, public-sector partners and policymakers. It outlines how the eeef supports tangible reductions in energy consumption and greenhouse gas emissions and strengthens the resilience and efficiency of public infrastructure across Europe.

Executive Summary

In 2025, the eeef continued to deliver measurable climate impact through its existing portfolio while focusing investment activity on the deployment and active management of previously committed capital. The principal new commitment was an additional €5 million subordinated Tier 2 tranche to Coop Pank, extending the Fund's existing Financial Intermediary relationship in Estonia. In parallel, the eeef progressed deployment under its existing commitments.

Direct Investments continued to anchor the Fund's environmental performance. Established operating assets, including municipal lighting programmes, the Sant'Orsola-Malpighi hospital tri-generation project, the Rennes biomass CHP plant and public-building energy efficiency investments, continued to generate energy and emissions savings. During the year, the Fund also focused on deployment of committed capital into the Livland Biomethane project in Latvia and the Cogeme Green solar platform in Italy. Vila do Conde was fully repaid on 28 February 2025, bringing the eeef's financing involvement in the project to an end.

Financial Intermediaries continued to expand the reach of eeef financing across Lithuania, Latvia and Estonia. The facilities retain a broad mandate across energy efficiency, renewable energy and clean urban transport, while actual 2025 deployment was concentrated in renewable electricity, renewable heat and enabling infrastructure such as battery energy storage. The additional €5 million commitment to Coop Pank further strengthened the capacity of an existing intermediary to provide longer-tenor financing for eligible energy transition projects.

The Fund's Social and Environmental Management System (SEMS) continued to provide a structured framework for environmental, social and governance screening and monitoring across the portfolio. Monitoring during 2025 focused on maintaining compliance and strengthening data quality and reporting, particularly for projects under deployment and Financial Intermediary sub-loans.

EU Taxonomy assessment remained integrated into the Fund's investment and monitoring processes during 2025. Relevant investments continued to be assessed against the applicable Taxonomy criteria, including substantial contribution, Do No Significant Harm (DNSH) and Minimum Safeguards requirements where applicable. The assessment was based on the information available for each investment, with conclusions on alignment depending on the completeness of underlying data and technical documentation.

Technical Assistance remained an important strategic pillar in 2025, supporting municipalities in developing investment-ready energy transition projects. New and ongoing assignments during the year contributed to the preparation of future investment opportunities. TA assignments do not contribute to the Fund's impact metrics until the underlying projects reach implementation and operation.



Portfolio Overview

In 2025, the European Energy Efficiency Fund maintained a diversified portfolio of investments across municipal energy efficiency, renewable heat, public building upgrades, smart lighting, biomethane and climate-aligned lending. The structure of the portfolio reflects the Fund's mandate to support municipal, local, regional and national authorities, as well as public or private entities acting on their behalf, in delivering measurable primary energy and emissions savings while contributing to resilient public infrastructure and affordable energy services.

The Fund's investments are organised into three core pillars: Direct Investments (DI) in energy efficiency and renewable energy infrastructure, Financial Intermediaries (FI) that extend climate finance through local banks and dedicated investment platforms, including those managed by national promotional institutions, and Technical Assistance (TA) assignments that prepare future project pipelines. DI and FI portfolios contribute to the environmental impact presented in this report; TA projects remain preparatory and do not themselves generate savings.

Geographic footprint

The Fund's investments and committed projects during 2025 spanned nine EU Member States and the United Kingdom, reflecting a broad territorial reach:

- Germany – public-building energy efficiency through energy performance contracting.
- Italy – hospital energy infrastructure, district heating, municipal lighting and a solar PV platform under deployment.
- Spain – large-scale street lighting and public-building energy efficiency investments.
- Portugal – Vila do Conde municipal street lighting, fully repaid on 28 February 2025.
- France – renewable electricity and heat generation through the Rennes biomass CHP plant.
- Netherlands – smart public lighting with advanced control systems.
- Lithuania – renewable energy projects through the ILTE TIPS platform.
- Estonia – climate-aligned lending through Coop Pank.
- Latvia – climate-aligned lending through Signet Bank and a biomethane project under deployment.
- United Kingdom – social housing energy efficiency and renewable generation through OVHA.

Portfolio composition

Direct investments

Direct Investments remain the largest driver of the Fund's climate impact. In 2025, the DI portfolio combined mature operating assets in street lighting, hospital energy infrastructure, public-building efficiency and renewable heat with renewable energy commitments under deployment, including biomethane in Latvia and solar PV in Italy. These projects continued to provide stable operational performance, demonstrating the enduring value of long-term investments in energy efficiency and renewable energy infrastructure.

Street lighting programmes in Spain, Portugal, Italy and the Netherlands continued to deliver significant reductions in electricity consumption. LED retrofits typically reduced energy use by more than half compared with the baseline fixtures, while smart controls in certain cities enabled additional optimisation through adaptive dimming and real-time monitoring. These projects also strengthened public safety and improved lighting quality across urban environments.

Large-scale energy infrastructure projects—including the tri-generation installation at Sant'Orsola-Malpighi Hospital in Bologna and the biomass CHP plant in Rennes—remained among the most impactful assets in terms of cumulative emissions reductions. These projects provide stable, efficient thermal and electrical generation to public buildings and district heating networks, reducing reliance on fossil fuels and supporting predictable municipal energy costs.

Public building modernisation projects in Germany and Spain continued to demonstrate the effectiveness of energy performance contracting and targeted heating upgrades. These interventions delivered verified energy savings and improved operational control across public buildings, illustrating how relatively modest investments can generate durable environmental and economic benefits.

The Livland Biomethane project, under deployment during 2025, is expected to deliver significant primary fossil energy savings by producing renewable biomethane for injection into the national gas grid, thereby displacing fossil natural gas and reducing the carbon intensity of gas supplied through the network.

Financial intermediaries

The Fund's FI investments extended access to climate finance across Lithuania, Latvia and Estonia. These investments enable the eeef to reach smaller or more dispersed projects that would be challenging to finance directly, while supporting a broad mandate across energy efficiency, renewable energy, clean urban transport and related enabling infrastructure.

Through subordinated loans to domestic financial institutions, the Fund strengthens their capital base and lending capacity, while equity participation in dedicated investment platforms alongside national development agencies provides capital for onward financing of eligible projects. These structures broaden access to financing for energy transition projects and can support financing terms better aligned with their investment and payback profiles.

Financial Intermediary investments allow the eeef to extend its reach to smaller and more decentralised energy transition projects that may not be suitable for direct financing. Through ILTE in Lithuania, Signet Bank in Latvia and Coop Pank in Estonia, the Fund supports financing across energy efficiency, renewable energy, clean mobility and related enabling infrastructure. The underlying portfolios span a range of technologies and end-users, including renewable electricity and heat generation, building efficiency measures and battery energy storage, demonstrating the role of local financial institutions in broadening access to climate-aligned financing.



Summary table

During 2025, the Fund maintained a diversified portfolio across the following principal investment areas:

- Energy Efficiency in Public Infrastructure (street lighting, public buildings, hospitals)
- Renewable Energy and Efficient Heat Infrastructure (biomass CHP, tri-generation, PV and biomethane)
- Climate-aligned Lending via Financial Intermediaries

Clean Urban Transport remains an eligible target sector under the Fund's mandate. While there were no performing investments in this sector in the portfolio during 2025, the Fund supported the delivery of a bike-sharing system connecting Munich and surrounding municipalities in 2026. The Fund's initial clean urban transport investment, Dancer Mobility, was non-performing and no CO₂ or primary energy savings were attributed to the investment for 2025. Neither the new 2026 investment nor the non-performing Dancer Mobility investment is therefore included in the summary table below.

This diversification spans different technologies, project maturities and geographic markets. The portfolio remains focused on public-sector entities, public-service infrastructure and eligible projects implemented by public

or private entities acting on behalf of public authorities, consistent with the Fund's mandate and its contribution to EU energy and climate objectives.

Impact positioning

The 2025 impact results reflect continued performance across a technically diverse portfolio. Most of the operating projects continued to deliver energy and emissions reductions, while other investments remained under construction or deployment. Where 2025 operational data were not available or not yet applicable, this is indicated accordingly in the project-level reporting.

The Fund continued to integrate EU Taxonomy considerations into its investment and monitoring processes and to apply its environmental and social safeguards through the SEMS. Reporting under SFDR, including consideration of Principal Adverse Impacts, complemented this framework. Across the DI and FI portfolios, no material environmental or social non-compliance was reported to the Fund during 2025.

Category	Country	Project	Sector	Short Description
DI	Germany	Jewish Museum Berlin	Energy Efficiency (Buildings)	EPC improving HVAC, controls & energy management in iconic museum.
DI	Italy	Sant'Orsola-Malpighi Hospital, Bologna	Energy Efficiency (Hospitals)	Large-scale tri-generation plant & campus energy infrastructure upgrade.
DI	Italy	Illuminated Cities (Rozzano, Nogara, Concordia Sagittaria)	Energy Efficiency (Street Lighting)	LED lighting retrofit across three municipalities under joint venture model.
DI	Portugal	Vila do Conde	Energy Efficiency (Street Lighting)	Full modernisation of 18k+ luminaires with LED and improved controls.
DI	Spain	Santander	Energy Efficiency (Street Lighting)	LED upgrade of 22k+ luminaires with tele-management platform.
DI	Spain	Gijón	Energy Efficiency (Street Lighting + Buildings)	42,000 luminaires replaced; supported by eeef TA.
DI	Netherlands	City of Venlo	Energy Efficiency (Street Lighting)	LED & smart controls for 1,674 poles & 17,270 luminaires.
DI	France	Rennes Biomass CHP	Renewable Energy / District Heating	Biomass CHP delivering renewable heat to Rennes district network.
FI	Lithuania	ILTE TIPS Platform	Multi-Sector: EE/RE	National platform financing building renovation & renewable energy.
FI	Latvia	Signet Bank	Multi-Sector: EE/RE/ Clean Mobility	On-lending to EE, solar, heat system modernisation & sustainable transport.
FI	Estonia	Coop Pank	Multi-Sector: EE/RE/ Clean Mobility	Climate lending facility supporting SMEs, municipalities & residential EE.
DI	United Kingdom	OVHA	Energy Efficiency / Renewable Energy	Boiler replacement and wind power

Direct Investments

Germany

Jewish Museum Berlin - Energy Performance Contracting

The Jewish Museum Berlin was one of the first buildings in Germany to adopt an Energy Performance Contract (EPC) under an innovative financing structure supported by the eeef. Prior to the project, the museum operated with ageing HVAC and lighting systems, high electricity and heat consumption, and limited digital control over building services. In a cultural institution where stable indoor temperature and humidity are essential for the preservation of sensitive artefacts, the need for more precise and efficient energy systems was particularly pressing.

Through a forfeiting facility, the eeef enabled the museum to enter into a long-term EPC with an experienced energy services provider. The intervention included the optimisation of the heating, ventilation and air-conditioning systems, implementation of demand-driven control logic, installation of advanced energy metering, and improvements to the building management system. Lighting upgrades further contributed to reduced energy demand while improving visitor comfort.

At the outset, the project was expected to reduce emissions by approximately 1,800 tonnes of CO₂ per year against the 2010 baseline. As an early EPC in the Fund's portfolio, the project played an important demonstration role, showing how guaranteed-savings structures can be applied successfully to public cultural institutions with complex indoor climate requirements.

Through 2025, the project continued to provide reliable energy performance, although total cumulative results beyond the initial guarantee period are not fully available for this report. The project remains a relevant example of how targeted, medium-scale investments in public buildings can deliver sustained environmental benefits alongside improved operational control.

Indicator	Value
Annual Primary Energy Savings (2025)	11,779 MWh
Annual CO ₂ Savings (2025)	2,667 tCO ₂ e
Cumulative Primary Energy Savings	143,277 MWh
Cumulative CO ₂ Savings	32,446 tCO ₂ e
Scope	HVAC optimisation, lighting, BMS upgrades
Status	Operational

Italy

Sant'Orsola-Malpighi University Hospital, Bologna

The Sant'Orsola-Malpighi University Hospital in Bologna is one of Italy's largest and most complex medical campuses, comprising dozens of interconnected clinical, research and administrative buildings. Before the investment, the hospital relied on ageing thermal and cooling systems, an overstretched distribution network and fragmented controls. This led to high energy consumption, elevated maintenance requirements and operational inefficiencies across a site that must maintain strictly regulated indoor conditions to support patient care and sensitive clinical operations.

The eeef supported the hospital's modernisation through a combination of senior debt and a VAT facility, enabling the installation of a high-efficiency tri-generation plant capable of producing heat, cooling and electricity simultaneously. This central upgrade was complemented by the refurbishment of the heat distribution network, improvements to heat exchange substations, pumping optimisation and enhanced building management capabilities. The new system replaced outdated infrastructure and provided a more stable and efficient energy supply for continuous hospital operations.

The investment delivers significant and recurring energy savings. Historical performance data show that the hospital consistently reduced its primary energy demand and greenhouse gas emissions following implementation, making this one of the Fund's highest-impact energy efficiency projects. The tri-generation plant provides stable base-load thermal and cooling energy while reducing reliance on external electricity supply, supporting both resilience and cost predictability.



The project continues to stand out as a model for deep infrastructure upgrades in large public hospitals. Its long-term operational benefits extend beyond energy savings: improved system reliability supports patient safety, reduces operational disruption and enhances the hospital's capacity to manage peak loads during periods of high medical activity. As of 2025, the system remains a major contributor to the hospital's decarbonisation pathway and one of the strongest examples of large-scale public-sector energy transformation within the eeef portfolio.

Indicator	Value
Annual Primary Energy Savings (2025)	66,198 MWh
Annual CO ₂ Savings (2025)	15,090 tCO ₂ e
Cumulative Primary Energy Savings	729,342 MWh
Cumulative CO ₂ Savings	167,821 tCO ₂
Scope	Tri-generation, heat distribution, pumps, controls
Status	Operational

Illuminated Cities (Rozzano, Nogara, Concordia Sagittaria)

Illuminated Cities (Città Illuminate S.r.l.) is a joint venture between the eeef and Siram Veolia created to implement smart, energy-efficient public lighting projects for small and medium-sized municipalities in Italy. The structure allows several local authorities to access advanced technical solutions and long-term private capital, overcoming typical barriers faced by smaller cities when procuring and financing modern energy infrastructure.

The joint venture initially focused on three municipalities: Rozzano, Nogara and Concordia Sagittaria, located in the provinces of Milan, Verona and Venice. In each case, the projects centre on the conversion of existing street lighting to high-efficiency LED systems combined, where applicable, with additional "smart city" functionalities such as remote control and monitoring, telemanagement, and the potential integration of services like video surveillance, public Wi-Fi or e-mobility charging. This approach goes beyond a simple lamp replacement to deliver a modern, multi-service urban lighting platform.

The eeef's investment, provided as a mix of equity and shareholder loan, supports a portfolio of street lighting concessions under a public-private partnership model. At portfolio level, the measures are designed to achieve substantial energy savings compared with the baseline, with reductions in primary energy consumption expected to exceed 50% and, in some projects, approach higher efficiency levels. These savings translate into lower municipal electricity bills, predictable operating costs and reduced greenhouse gas emissions, while improved lighting quality and control contribute to safer and more liveable public spaces.

The Illuminated Cities initiative remains in portfolio, with the three initial municipalities forming the core of the platform. As of 2025, the joint venture continues to provide municipalities with a scalable, replicable solution for modernising public lighting and deploying smart-city services.

Indicator	Value
Annual Primary Energy Savings (2025)	22,380 MWh
Annual CO ₂ Savings (2025)	2,766 tCO ₂ e
Reference Efficiency Range	c.56% to c.78% reduction versus baseline
Cumulative Primary Energy Savings	167,850 MWh
Cumulative CO ₂ Savings	21,571 tCO ₂
Scope	LED lighting, smart-city features
Status	Operational / Portfolio ramp-up

Energetica – District Heating

The Energetica district heating retrofit covers two Alpine municipalities, Bardonecchia and Cervinia, where existing district heating networks required modernisation to improve efficiency, reliability and environmental performance. Prior to the investment, the thermal plants operated with ageing equipment, limited automation and suboptimal combustion efficiency, resulting in higher fuel consumption and elevated operating costs. The retrofit formed part of a broader effort to upgrade municipal energy infrastructure in Northern Italy's mountain regions, where cold climates create particularly high seasonal heating demand.

Through its investment, the eeef supported Energetica in installing new high-efficiency turbines within the existing heating plants and upgrading associated distribution and control systems. The intervention focused on improving the overall thermal conversion efficiency of the networks, optimising heat production, and reducing technical losses across the two systems. The works were conducted within existing facilities, requiring no land conversion or expansion into sensitive areas.

Complete 2025 data on energy and CO₂ savings were not available and therefore no savings are reported for the project in this Impact Report. For SFDR purposes, Energetica remained classified as a sustainable investment based on the independent EU Taxonomy assessment and applicable DNSH assessment. During the year, Energetica made significant early repayments of the eeef financing. The remaining outstanding balance was subsequently repaid in full on 12 January 2026, bringing the eeef's financing involvement in the project to an end.

Indicator	Value
Annual Primary Energy Savings	Information not available
Annual CO ₂ Savings	Information not available
Scope	Modernisation of district heating plants in Bardonecchia & Cervinia; installation of high-efficiency turbines; control system improvements
Status	Operational; significant early repayments in 2025; fully repaid in January 2026

The eeef supports the project through junior funding comprising equity and shareholder financing, alongside senior bank financing at project level. The portfolio is designed to aggregate individual PV parks, generally ranging from approximately 1 MWp to 10 MWp each. The original investment plan envisaged a portfolio of at least 54 MWp of installed capacity, with expected annual renewable electricity generation of approximately 89.6 GWh once fully developed.

During 2025, capital deployment and development of the first cluster of PV projects progressed. The first cluster secured senior financing and moved into the construction phase, while further projects remained under development. As the portfolio had not yet commenced material commercial operations during 2025, no operational energy or emissions savings are attributed to the project for the reporting year.

Indicator	Value
Annual Primary Energy Savings (2025)	Projects under construction
Annual CO ₂ Savings (2025)	Projects under construction
Reference Annual CO ₂ Savings	23,840 tCO ₂ e
Scope	Portfolio of solar PV parks across Italy
Status	Projects under construction

Cogeme Green - Portfolio of Solar PV Parks across Italy

The Cogeme Green project supports the development of a portfolio of small and medium-sized solar photovoltaic (PV) parks across Italy. The platform was established as a joint venture between the eeef and Cogeme Energia S.r.l. (formerly Cogeme Nuove Energie), the energy subsidiary of Cogeme S.p.A. Cogeme S.p.A. is a fully publicly owned Italian utility group, with its capital held by 60 municipalities in the provinces of Brescia and Bergamo. The Group has a long-standing role in providing energy and other local public services to municipalities, communities and citizens.

Cogeme Energia plays a central role in the structure of the project. In addition to co-investing alongside the eeef, it will act as the sole offtaker of the electricity generated by the Cogeme Green portfolio under a long-term power purchase agreement. The renewable electricity will be used within Cogeme Energia's broader energy-supply activities serving local communities and public-service related activities, as well as businesses and industrial customers in and around the Cogeme territory. In this way, the project combines the development of new renewable generation capacity with Cogeme's existing role as a municipally owned energy and public-services group.



Portugal

Vila do Conde – Street Lighting Modernisation

The municipality of Vila do Conde, located in northern Portugal, implemented a comprehensive modernisation of its public lighting network to address rising electricity costs, outdated luminaires and increasing maintenance demands. Prior to the project, the city operated a dispersed network of conventional high-pressure sodium lamps with limited control options and declining performance. As in many Portuguese municipalities, public lighting represented a significant share of municipal energy expenditure, and upgrading the network was identified as a highly effective means of achieving immediate energy savings.

With financing provided through an eef forfailing facility, Vila do Conde undertook the replacement of approximately 18,500 luminaires with high-efficiency LED technology. The programme was developed using detailed lighting designs and photometric calculations to ensure compliance with national road lighting standards and to improve lighting uniformity and visibility in both residential areas and primary road corridors.

The shift to LED technology reduces electricity consumption by more than half compared to the previous lighting stock and significantly extends maintenance intervals due to the longer lifespan and higher reliability of LED luminaires. These operational improvements help stabilise municipal budgets and reduce service disruptions associated with lamp failures. The project also improves the overall quality of urban lighting, contributing to safer public spaces and better night-time conditions for pedestrians, drivers and cyclists.

The lighting upgrade supports Portugal's national energy efficiency objectives and aligns with broader EU climate commitments. Historically, the project has been associated with annual primary energy savings exceeding 16 GWh and a reduction of more than 1,400 tonnes of CO₂ per year. The eef investment was fully repaid on 28 February 2025, bringing the Fund's financing involvement in the project to an end. The modernised lighting system remains in operation and continues to deliver energy savings, lower operating costs and environmental benefits for the municipality beyond the eef investment period.

The annual savings are adjusted to the financing period: two months in 2025.

Indicator	Value
Annual Primary Energy Savings (2025)	2,857 MWh
Annual CO ₂ Savings (2025)	204 tCO ₂ e
Cumulative Primary Energy Savings	64,725 MWh
Cumulative CO ₂ Savings	5,968 tCO ₂ e
Scope	LED retrofit of c.18,500 luminaires
Status	Matured

Spain

Santander – LED Public Lighting Programme

The city of Santander, located on Spain's northern Atlantic coast, implemented one of the country's most comprehensive municipal lighting upgrades to modernise its extensive public lighting network and reduce electricity consumption. Prior to the project, Santander relied on more than 22,000 conventional luminaires, predominantly high-pressure sodium units with high energy demand and limited capacity for control or monitoring. These conditions resulted in significant electricity expenditure and operational inefficiencies, making public lighting a priority area for the municipality's broader energy efficiency strategy.

Supported by an eef forfailing facility, the project replaced approximately 22,300 luminaires with high-efficiency LED technology and introduced a centralised telemanagement system to monitor and control the lighting network. The digital platform enables real-time adjustments of lighting levels, fault detection and optimised scheduling, allowing the municipality to reduce energy use further during periods of lower demand while maintaining appropriate illumination in residential, commercial and coastal areas.

The upgrade has demonstrably improved the quality and uniformity of public lighting across the city's streets and pedestrian zones, contributing to enhanced visibility and safety. Historically, the project has been associated with annual energy savings of nearly 40 GWh and significant reductions in greenhouse gas emissions, reflecting the scale and impact of the intervention. In addition to these environmental benefits, modern LED fixtures require fewer maintenance interventions, leading to lower operating costs and improved service reliability for the municipality.

As of 2025, the lighting system continues to operate effectively, providing long-term reductions in electricity consumption and supporting Santander's municipal climate and energy objectives. The combination of LED technology and smart control functionality positions Santander as an early example of a Spanish city integrating energy efficiency and digitalisation within its core infrastructure.

Indicator	Value
Annual Primary Energy Savings (2025)	39,795 MWh
Annual CO ₂ Savings (2025)	2,579 tCO ₂ e
Cumulative Primary Energy Savings	337,469 MWh
Cumulative CO ₂ Savings	29,816 tCO ₂ e
Scope	LED retrofit + telemanagement
Status	Operational

Gijón – Smart Lighting and Public Buildings Retrofit

The city of Gijón, located in the Asturias region of northern Spain, undertook a large municipal energy efficiency programme supported by the eeef. Before the investment, Gijón's public lighting network comprised approximately 42,000 luminaires, many of which were outdated high-pressure sodium units with limited control capability and high electricity consumption. Several municipal buildings also operated with ageing electrical infrastructure and limited metering or energy management systems. Combined, these assets represented one of the city's largest sources of energy expenditure.

The eeef supported Gijón's modernisation effort through a forfating facility, enabling the municipality to implement a comprehensive upgrade of its lighting network and selected public-building installations. Crucially, this project was prepared through the eeef Technical Assistance Facility, which supported the municipality with energy audits, technical design, lighting calculations, procurement preparation and financial modelling. This ensured that the investment programme entered implementation with a robust technical specification and a clear savings structure.

The project involved the replacement of approximately 42,000 luminaires with high-efficiency LED fixtures designed to improve lighting uniformity and reduce electricity consumption substantially. The upgrade covers a wide range of urban environments — major avenues, neighbourhood streets, coastal promenades, parks and public squares — improving visibility and safety across the city. In parallel, public-building measures included electrical system optimisation and improved control capacity, strengthening the city's ability to monitor and manage energy use in municipal facilities.

The expected environmental impact is significant. Based on the technical assistance energy modelling, the programme is associated with anticipated annual primary energy savings of around 37 GWh and annual emissions reductions of roughly 2,400 tonnes of CO₂. These values position Gijón's project among the larger energy efficiency interventions in the eeef street lighting portfolio. Beyond energy savings, the lighting upgrade reduces maintenance requirements due to the durability of LED technology and improves operational reliability for the municipality.

As of 2025, the modernised network continues to deliver stable performance, with the city benefiting from reduced electricity costs, improved public lighting quality and more efficient building operations. The combination of technical assistance and long-term financing demonstrates how coordinated support can help municipalities design and implement large-scale, high-impact energy efficiency programmes.

Indicator	Value
Annual Primary Energy Savings (2025)	37,005 MWh
Annual CO ₂ Savings (2025)	2,446 tCO ₂ e
Cumulative Primary Energy Savings	112,865 MWh
Cumulative CO ₂ Savings	7,460 tCO ₂ e
Scope	42,000 luminaires + public building upgrades
Status	Operational

Netherlands

City of Venlo – Smart Public Lighting Programme

The City of Venlo, located in the southeastern Netherlands, modernised its public lighting network as part of a strategy to reduce municipal energy consumption, improve lighting quality and introduce digital management capabilities across the city. Prior to the investment, Venlo operated a large number of conventional luminaires with high electricity demand, limited controllability and rising maintenance needs. As public lighting represented a sizeable share of municipal operational costs, upgrading the network was identified as an effective way to improve both energy performance and public service quality.

Supported by an eeef senior debt facility, the project involved the replacement of approximately 17,270 luminaires and the upgrade of around 1,674 lighting poles with modern LED technology. The intervention also integrated smart lighting controls, enabling real-time monitoring, adaptive dimming and remote fault detection. These digital features allow Venlo to adjust lighting levels in response to local conditions — such as time of night or traffic activity — while maintaining safety and visibility.

The transition to LED luminaires delivers substantial energy savings, historically estimated at nearly 5 GWh per year, alongside reductions in greenhouse gas emissions. The improved reliability and longevity of LED equipment significantly reduce maintenance needs, helping the municipality to stabilise operating costs and limit service interruptions. The enhanced lighting quality also contributes to improved night-time safety and comfort for residents, pedestrians, cyclists and road users.

By combining high-efficiency lighting with digital control capability, the Venlo project exemplifies how municipalities can leverage smart-city approaches to modernise essential public infrastructure. As of 2025, the system continues to operate effectively, delivering stable savings and supporting Venlo's municipal sustainability objectives.

Indicator	Value
Annual Primary Energy Savings (2025)	4,868 MWh
Annual CO ₂ Savings (2025)	654 tCO ₂ e
Cumulative Primary Energy Savings	56,171 MWh
Cumulative CO ₂ Savings	9,593 tCO ₂ e
Scope	17,270 luminaires + 1,674 poles + smart controls
Status	Operational

France

Rennes – Biomass Combined Heat and Power (CHP) Plant

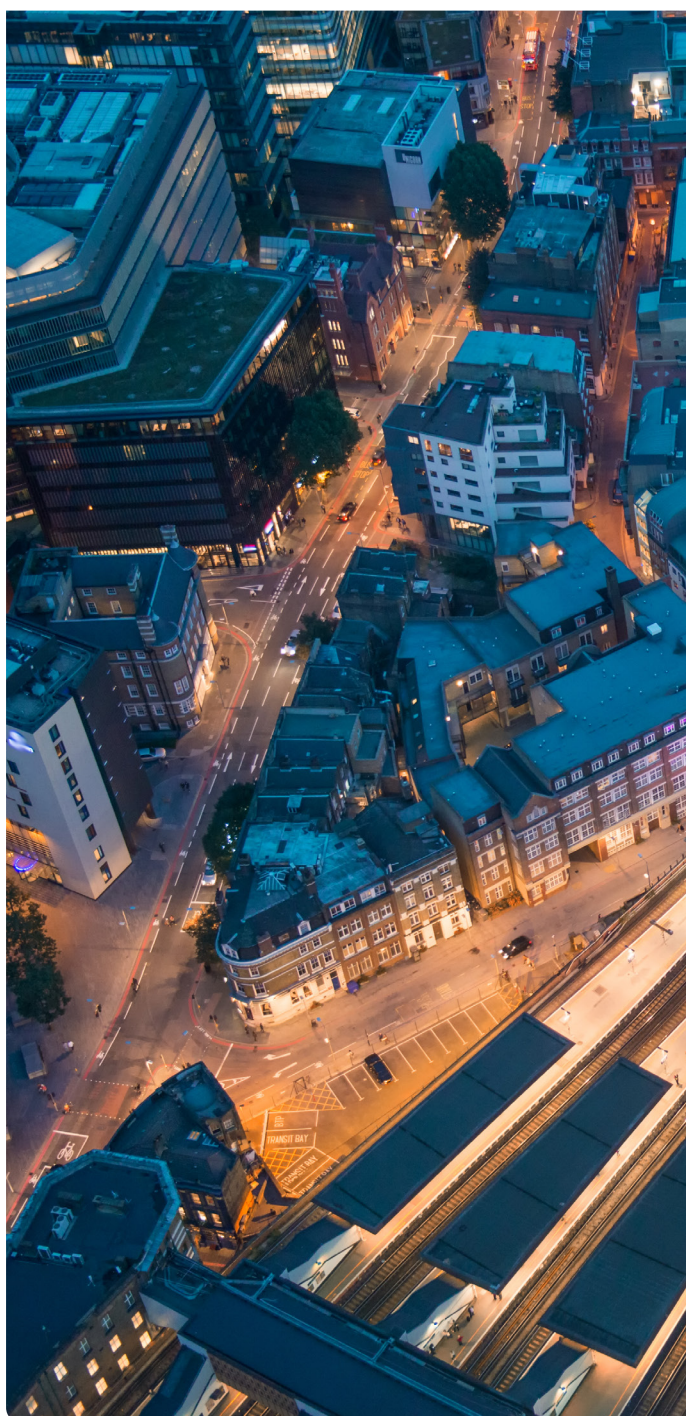
The Rennes biomass combined heat and power (CHP) plant is a major component of the city's transition toward low-carbon heating and one of the most impactful renewable energy assets in the eeef portfolio. Prior to the investment, the Rennes district heating network relied heavily on natural gas and other fossil fuels, creating both cost exposure and a barrier to achieving the city's long-term emissions reduction goals.

With support from the eeef through an equity and shareholder loan investment, a high-efficiency biomass CHP installation was developed to supply renewable heat to the expanding district heating network. The plant uses sustainably sourced biomass and operates in accordance with national environmental and forestry regulations. The combined production of heat and electricity enables efficient fuel utilisation and provides a stable heat supply throughout the heating season.

The project has delivered substantial annual reductions in greenhouse gas emissions and has materially reduced the share of fossil fuels in the district heating system. The facility also supports the regional bio-economy by relying on local biomass supply chains and creating long-term operational employment.

The Rennes biomass CHP project demonstrates the effectiveness of large-scale renewable heat solutions in decarbonising urban energy systems. As of 2025, it continues to operate reliably and remains one of the Fund's most significant contributors to annual emissions reductions.

Indicator	Value
Annual CO ₂ Savings (2025)	11,911 tCO ₂ e
Cumulative CO ₂ Savings	160,984 tCO ₂ e
Scope	Biomass CHP supplying district heating
Status	Operational



United Kingdom

OVHA - Cardenden Heat & Power Boiler Replacement and Wind Project

The project modernises heating systems across Ore Valley Housing Association's social housing stock in the Fife Council Area, Scotland, and is combined with a local onshore wind turbine. In total, heating upgrades were carried out in 202 homes across 15 municipalities, with the majority of installations in Cardenden. To deliver the investment, OVHA established the project company Cardenden Heat & Power (CHAP), which receives a senior loan from the eeef alongside a subordinated facility from the Renewable Energy Investment Fund (REIF), while OVHA provides equity.

The programme replaces old, inefficient boilers with high-efficiency Worcester 30i units and programmable Danfoss TP7000 thermostats, improving heating efficiency, comfort and reliability for residents. The project company also owns and operates a wind turbine, which generates renewable electricity and supports the overall energy and emissions performance of the scheme. All works take place within existing sites and comply with UK building, safety and labour regulations. No material environmental or social risks were identified during due diligence, and implementation has proceeded without incidents.

Indicator	2025 Result
Annual Primary Energy Savings (2025)	4,903 MWh
Annual CO ₂ Savings (2025)	447 tCO ₂ e
Cumulative Primary Energy Savings	45,411 MWh
Cumulative CO ₂ Savings	4,745 tCO ₂ e
Reference Efficiency Measures	High-efficiency gas boilers (Worcester 30i) + programmable thermostats
Renewable Generation	Onshore wind turbine owned by CHAP
Homes Upgraded	202, >170 boilers
Scope	15 municipalities in the Fife Council Area (majority in Cardenden)
Status	Operational

Latvia

Livland Biomethane - Production of Biomethane through Anaerobic Digestion of Manure

The Livland Biomethane project supports the development of a new renewable gas production facility in northern Latvia. The plant is designed to convert agricultural manure into biomethane through anaerobic digestion, creating a renewable substitute for fossil natural gas while supporting the more productive use of agricultural residues. In addition to biomethane, the facility is designed to produce liquefied food-grade CO₂ and digestate, with the latter returned to participating farms for agricultural use.

The eeef is supporting the project through a senior secured project finance facility covering the construction and commissioning of the plant and its connection to the national gas transmission network. The facility is located adjacent to the gas grid, allowing the biomethane produced to be injected directly into the existing transmission system. Feedstock is sourced under long-term arrangements with more than 15 farms in the surrounding agricultural area, helping to establish a local and diversified supply base. The plant has a designed maximum biomethane production capacity of approximately 60 GWh per year.

Once operational, the project is expected to contribute to Latvia's decarbonisation by replacing fossil natural gas with renewable biomethane. The project also incorporates circular-economy characteristics through the use of livestock manure as feedstock, the return of digestate to farmers and the recovery of biogenic CO₂ as a saleable product.

During 2025, construction and commissioning activities progressed. By year-end, the project had reached a further construction milestone, with the principal remaining completion item relating to final plant acceptance. As the facility had not yet commenced commercial operations during 2025, no operational energy or emissions savings are attributed to the project for the reporting year. The project remained in the implementation phase at 31 December 2025.

Indicator	Value
Annual Primary Energy Savings (2025)	Projects under construction
Annual CO ₂ Savings (2025)	Projects under construction
Reference Annual Primary Energy Savings	49,738 MWh
Reference Annual CO ₂ Savings	26,100 tCO ₂ e
Scope	Biomethane production, grid injection, liquefied CO ₂
Status	Projects under construction

Financial Intermediaries

Estonia

Coop Pank Climate and Energy Efficiency Lending Facility

The eeef’s investment in Coop Pank supports the expansion of climate-aligned lending in Estonia across sectors that are traditionally underserved by long-term, affordable financing. As a rapidly growing Estonian bank with a strong regional footprint, Coop Pank is well positioned to channel capital into small and medium-sized energy efficiency, renewable energy and clean mobility projects that collectively deliver meaningful climate impact at national level.

Through a subordinated loan qualifying as Tier 2 capital, the eeef strengthens Coop Pank’s capital base and supports its capacity to provide longer-tenor financing. The longer-dated nature of the facility also supports asset-liability matching, enabling financing terms that are better aligned with the investment and payback profiles of energy transition projects. Projects eligible under the facility address key areas of Estonia’s energy transition, including energy efficiency, renewable electricity and heat, clean mobility and related enabling infrastructure.

During 2025, actual deployment under the facility was concentrated in renewable energy and related enabling infrastructure. The underlying portfolio included solar generation, wood-chip boiler houses providing renewable heat, and battery energy storage installed alongside an existing solar asset. The portfolio therefore supports different elements of the energy transition, ranging from renewable electricity and heat generation to infrastructure facilitating the integration of variable renewable generation into the power system.

Working through a domestic financial intermediary ensures that the loans are deployed in line with local market needs and regulatory frameworks. Coop Pank applies its internal credit and risk assessment processes in combination with environmental and social safeguards aligned with the Fund’s SEMS requirements. This ensures that sub-projects comply with national environmental legislation and that their climate benefits can be reported in an aggregated and consistent manner.

Indicator	Value
Number of Sub-Projects (2025)	5
Annual CO ₂ Savings (2025)	12,333 tCO ₂ e
Cumulative CO ₂ Savings	20,746 tCO ₂ e
Representative Sub-Project Types	Renovation, heating systems, PV, SME efficiency
Instrument Type	Subordinated Loan
Status	Operational

Latvia

Signet Bank Climate Lending Facility

The eeef’s subordinated loan to Signet Bank supports the expansion of climate-aligned lending across Latvia, enabling the bank to finance energy efficiency, small-scale renewable energy and clean mobility investments that would otherwise face limited access to capital. Signet operates nationwide and serves both public-sector entities and private-sector clients, making it well positioned to reach a broad mix of smaller projects with meaningful cumulative climate impact.

By providing Tier 2 capital, the eeef’s subordinated loan strengthens Signet Bank’s capital base and supports asset-liability matching, increasing the bank’s capacity to provide longer-tenor financing for energy transition projects with extended investment and payback periods. Eligible sub-projects under the facility include thermal insulation, heating system upgrades, efficient boiler replacements, rooftop solar PV installations, heat pumps and building electrical improvements, as well as enabling infrastructure such as battery energy storage systems that support grid flexibility and the integration of renewable generation. In addition, the bank can support SMEs and municipal service providers in upgrading vehicle fleets or implementing other low-emission mobility measures.

During 2025, actual deployment under the facility focused on renewable electricity generation and battery energy storage. The underlying investments included a utility-scale solar PV project combined with battery storage, as well as battery storage systems installed alongside existing solar generation assets. The storage systems are intended to support grid-balancing services and facilitate the integration of renewable electricity into the Latvian power system. By year-end, part of the storage capacity was operational, while the remaining investments were progressing through construction, expansion, grid connection or commissioning.

As these projects are varied in size and sector, the FI structure allows for standardised assessment and aggregation of climate benefits while maintaining strong oversight of credit and environmental risks. Signet Bank incorporates environmental and social checks consistent with Latvian regulation and aligned with the Fund's SEMS requirements, ensuring responsible on-lending and verifiable climate impact.

Indicator	Value
Number of Sub-Projects (2025)	2
Annual Primary Energy Savings (2025)	Projects under construction
Annual CO ₂ Savings (2025)	Projects under construction
Representative Sub-Project Types	PV and BESS
Instrument Type	Subordinated Loan
Status	Projects under construction

Lithuania

ILTE TIPS (Technical Investment Projects for Sustainability)

The ILTE TIPS platform provides a financing channel for energy efficiency and renewable energy projects in Lithuania. Managed in partnership with ILTE, Lithuania's national promotional institution, the platform enables the eef to support smaller and more dispersed projects that may be less efficient to finance directly on a standalone basis because of their individual size.

Through an equity investment in the TIPS platform, the eef provides capital alongside ILTE for onward financing of eligible energy efficiency and renewable energy projects in Lithuania. Typical sub-projects include building insulation and envelope upgrades, heating modernisation, heat pump systems, high-efficiency boiler replacements, rooftop solar PV installations and small-scale renewable heat sources.

This centralised structure provides a common framework for assessing, financing and monitoring eligible projects. As individual loans are repaid, capital can be recycled back into new projects, increasing long-term climate impact.

ILTE applies robust credit, technical and environmental due diligence processes consistent with national regulation and the Fund's SEMS requirements. This ensures that energy savings and emissions reductions from diverse sub-projects are captured systematically and aggregated for reporting. As of 2025, the TIPS platform portfolio comprises renewable energy projects, specifically a solar PV plant and a biomethane plant, supporting the deployment of renewable energy capacity and contributing to Lithuania's broader decarbonisation objectives.

Indicator	Value
Number of Sub-Projects (2025)	2
Annual Primary Energy Savings (2025)	42,942 MWh
Annual CO ₂ Savings (2025)	2,819 tCO ₂ e
Cumulative Primary Energy Savings	147,405 MWh
Cumulative CO ₂ Savings	11,557 tCO ₂ e
Scope	Building retrofits, heating upgrades, PV, DH improvements
Status	Operational



Technical Assistance

An overview

Amount (€)	Approved For
389,500	Province of Ferrara (IT)
400,000	City of Gijón (ES)
340,000	Italian Ministry of Defence, Modena (IT)
180,000	Kaunas District Municipality (LT)
400,000	Autonomous Province of Bolzano (IT)
160,000	Ukmergė District Municipality (LT)
195,000	Šilutė District Municipality (LT)
195,000	Klaipėda University Hospital (LT)
199,500	City of Sestao (ES)
180,000	Daugavpils City Municipality (LV)
160,000	University of Oviedo (ES)
160,000	Barcelona Metropolitan Area (ES)
261,197	Castell d'Aro, Platja d'Aro i S'Agaró (ES)
198,000	Klaipėdos Paslaugos (LT)
380,309	City of Reus (ES)

The Fund has set up the eeef Technical Assistance Facility (eeef TAF) to catalyse investments in public entities (EU Member States) in the energy efficiency sector, small-scale renewables and/or public urban transport. The TAF directly allocates consultancy services to the TA beneficiaries. Some of the services provided include, e.g., energy audits, feasibility studies, economic viability analysis, public procurement assistance, and preparing tendering processes to realise investment programmes.

From 2017 to date, the eeef has approved 15 Technical Assistance (TA) projects, embracing 26 public and municipal authorities across Spain, Italy, Lithuania, and Latvia (please see table about impacts and objectives). These TA projects have received and/or are currently receiving consultancy services in various forms with the common aim of realising the investment programmes to improve their CO₂ footprint.

As of year-end 2025, the eeef TA programme support is estimated to generate over €170 million worth of commercially viable investments, compared with the initial estimate of €186 million. The initial estimate was based on the projected investment portfolios of the 15 signed TA projects. The revised investment volume reflects the latest assessment of three projects in Lithuania that are no longer expected to materialise. As part of the project development process, the Ukmergė and Šilutė District Municipalities launched tenders for their respective investment projects following the delivery of the TA services. However, due to

significant price increases driven by inflation and the war in Ukraine, Ukmergė received two bids that exceeded its available budget, while Šilutė received no bids. The respective public authorities assessed the possibility of relaunching the tenders but concluded that the projects were no longer economically viable and decided not to proceed. In addition, Klaipėda University Hospital (KUH) underwent a merger, resulting in delays to the procurement process. Following the appointment of a new administration, the project may not proceed as originally planned by the former management. Consequently, the Fund's TA programme currently comprises 12 projects.

Even though the TAF's scope of work ends once the public beneficiary has launched the tender, the Fund's support is not limited to providing technical assistance services; it also aims to offer financing with various financial instruments to ensure that the investment projects materialise. It is the eeef's intention that the TAF remains active for the foreseeable future, with the mission to bring public sector climate mitigation projects into reality. As of year-end 2025, eight of the eeef TAF programmes had already published tenders to select a company to implement the investment programme (Province of Ferrara, Italian Ministry of Defence, Kaunas, City of Gijón, Šilutė, Autonomous Province of Bolzano, Ukmergė, and UAB Klaipėdos Paslaugos). The Province of Ferrara, Kaunas District Municipality, the Italian Ministry of Defence, and the Province of Bolzano have selected the company to go ahead with the investment programme as outlined in the TA studies; the external financing was not used. The evaluation of the tender process for the UAB Klaipėdos Paslaugos tender is still ongoing. The investments for the City of Gijón were completed and financed by eeef.

170.3

million euros envisaged total project investment volume supported by the eeef TAF

44.50

potential total leverage factor (weighted average)

112,268

MWh per year estimated primary energy savings

4

countries involved

31,783

tCO_{2e} per year estimated carbon equivalent emission savings

26

public and municipal authorities involved

Impact objectives (2017 - 2025)

Joining the efforts of the EU 2030 framework for climate and energy and the 2050 climate-neutral objectives, The Fund raised its targets for primary energy savings and greenhouse gas emissions reductions across its TA projects from 20% to 30%. Overall, the twelve TA projects listed below are expected to deliver annual primary energy savings of 112,268 MWh (51.55%) and annual emissions reductions of 31,783 tCO₂e (58.08%).¹ The following table for the impact objective analysis does not include Ukmergė, Šilutė, and KUH TA projects, as these are expected not to materialise due to external circumstances.

The table below shows the objectives as included in requests for the Technical Assistance:

	TA Projects (public and municipal authorities)	Country	Tender published Yes (Y) / No (N)	Sector	Lighting points (LP)/ Building (B) (in numbers)	Annual Population reached	Expected energy saved (%) per year	Expected annual emissions reduction (%)	Leverage factor (x)
1	City of Gijón	ES	Y	EE (street lighting/ building), RE (PV in buildings)	42,960 (LP)/ 85 (B)	269,894	30	30	57.54
2	Province of Ferrara (including 2 cities)	IT	Y	EE (street lighting/ building)	26,557 (LP)/ 9 (B)	139,197	c.40	48	79.07
3	MoD - Ducal Palace of Modena	IT	Y	EE (thermal systems/ building)	5 (B)	183,832	51	51	26.47
4	Province of Bolzano (including 4 cities)	IT	Y	EE (building)	62 (B)	188,175	58	48	100.25
5	Kaunas	LT	Y	EE (street lighting)	8,989 (LP)	304,000	63	63	20.55
6	City of Sestao	ES	N	EE (street lighting/ building/ e-mobility), RE (energy communities using PV)	2,586 (LP)/ 13 (B)	28,512	55	55	68.84
7	Daugavpils	LV	N	EE (street lighting)	9,000 (LP)	78,112	60	60	43.35
8	University of Oviedo (including 3 cities)	ES	N	EE (building/ digitalisation programme), RE (energy communities using PV/ district heating)	58 (B)	530,235	32	48	38.57

1. The Province of Ferrara, Kaunas District Municipality, the Italian Ministry of Defence, and the Province of Bolzano have completed project preparation and selected contractors; however, as eef did not finance the implementation phase, final impact data are not yet available. Gijón is the exception, as its implementation is financed by eef. Klaipėdos Paslaugos is still evaluating the bids received. Accordingly, the reported figures are based primarily on the completed TA studies and currently available information.

	TA Projects (public and municipal authorities)	Country	Tender published Yes (Y) / No (N)	Sector	Lighting points (LP)/ Building (B) (in numbers)	Annual Population reached	Expected energy saved (%) per year	Expected annual emis- sions reduction (%)	Leverage factor (x)
9	Barcelona Metropolitan Area – AMB (including 9 cities)	ES	N	EE (street lighting/ building), RE (energy communities using PV/ biomass district heating)	7,778 (LP)/ 77 (B)	250,606 ¹	37	48	29.45
10	Castell d'Aro, Platja d'Aro i S'Agaró City	ES	N	EE (street lighting/ building and digital platform), RE (building integrated with PV system)	8,226 (LP)/24 (B)	12,889	63	60	26.57
11	UAB Klaipėdos Paslaugos	LT	Y	EE (street lighting)	12,000 (LP)	170,519	50.6	50	56.06
12	City of Reus	ES	N	EE (street lighting/building and digital platform), RE (building integrated with PV system)	19,706 (LP)/21 (B)	111,601	79	76	32.97
Total				137,802 (LP)/ 354 (B)		2,267,572	51.55	58.08	44.50

1. AMB is formed by 36 municipalities. Only 9 municipalities from the initial assumption of 15 municipalities will be participating in the AMB TA project. Data includes the population of the 9 eligible municipalities.



From 2017 to 2025, the TAF programme has been supporting (i) energy efficiency measures, such as street lighting upgrades (i.e., installation of green technology, the replacement of luminaires and traffic lights, IoT nodes, digital platforms to manage and monitor the energy flow acting as a small smart grid solution, etc.), public buildings renovation and retrofit, (ii) renewable energy solutions, including the development of energy communities using PV systems, the installation of aerothermal and hydrothermal systems, biomass district heating, etc., and (iii) urban transportation, including e-mobility programmes. According to the energy measures supported along the TAF programmes, results show a total of 137,802 lighting points to be upgraded and 354 public buildings/structures to be renovated. Additionally, 55 public buildings/structures are expected to be reserved for the development of energy communities.

So far, 26 public and municipal authorities will benefit from the TAF programme i.e., (i) the City of Gijón, (ii) the Province of Ferrara, which includes the municipalities of Ferrara and Mesola, (iii) the Italian Ministry of Defence for the Ducal Palace in Modena, (iv) the Autonomous Province of Bolzano, which includes the municipalities of Bolzano, Brunico, Bressanone, and Merano, (v) the Kaunas District Municipality, (vi) the City of Sestao, (vii) the Daugavpils City Municipality, (viii) the University of Oviedo, which includes impacts in the three cities of Oviedo, Gijón and Mieres, (ix) the Barcelona Metropolitan Area, which includes 9 of its municipalities that seek to increase their energy efficiency levels through the TA programme (Badia del Vallès, Cervelló, El Papiol, Montcada i Reixac, Montgat, Pallejà, Ripollet, Tiana, and Torrelles de Llobregat)², (x) Castell d'Aro, Platja d'Aro i S'Agaró City, (xi) UAB Klaipėdos Paslaugos, and (xii) the city of Reus. The population reached through its energy-related activities is estimated to be around 2,267,572 inhabitants.

Generally, it takes up to three years for a public authority to complete the preparation of the investment programme. After completing the TA programme, each project goes into the implementation phase (estimated 10 – 15 years). It comprises the construction phase, which takes up to two years for each project, and continues with the operational phase of approximately 12 years. Therefore, it is expected that the benefits of the TAF programme will continue to be leveraged after two to three years of completing the project preparation.

eeef expects to expand its support to more regions. Currently, it is in preliminary discussions with additional public authorities in Latvia, Spain, Italy and Greece regarding potential projects.

Funding

Following the successful completion of the first collaborative project with the European Investment Bank (EIB) under the eeef's Technical Assistance Facility (TAF) programme, eeef and the EIB - European Local Energy Assistance (ELENA) TA Facility signed a contract (ELENA Contract 2020-177) on 4 October 2023.

Funded under the Horizon 2020 Programme of the European Union, the agreement will allocate up to €1.9 million for new project development services ('PDS') within a three-year timeframe (November 2023 – October 2026), enabling the eeef Technical Assistance Facility to support an even greater number of public authorities across the European Union.

From 11/2023 to 12/2025, a first pre-financing of €770,400.00 was disbursed by ELENA, which was supplemented by the eeef with €600,729.00. The eeef TA Facility funds available have reached over €1.3 million, from which €839,506.09 has been committed to three signed TA projects and ca. €159,885.00 has been allocated to staff costs, resulting in a total of €999,391.09 in committed TA costs. Additionally, approximately €200,000 has been allocated to other TA fees (i.e., TA management fee, misc. costs, etc).

By 2025, the Fund had launched a public open call for proposals targeting public authorities across the EU. This initiative resulted in the signing of two Technical Assistance (TA) agreements: (i) with the City of Castell d'Aro, Platja d'Aro i S'Agaró, Spain, on 27 May 2024; and (ii) with UAB Klaipėdos Paslaugos, Lithuania, on 26 August 2024. This positive momentum continued in 2025 with the signing of an additional TA project, the City of Reus TA.

In 2026, new funding is expected from ELENA and eeef contributions to finance new TA projects. During this year, eeef has received interest from new public authorities in Italy, Spain and Greece.

More information about the new TA projects is regularly provided on the eeef's website – www.eeef.eu.



2. Six municipalities participating initially in the AMB TA project decided not to continue with the project: Sant Climent de Llobregat, Sant Cugat del Vallès, Sant Vicenç dels Horts, Sant Andreu de la Barca, Barberà del Vallès and Sant Feliu de Llobregat

From 2017 to December 2025, the eeef TA Facility has reached over €5.9 million, funded by approximately €3.3 million from eeef and other sources (such as the reimbursements from MoD and Ferrara TA projects, and other additions), and €2.6 million from the EIB's ELENA Programme (i.e., ELENA Contracts 2014 – 065 and 2020 – 177). €4.0 million thereof has been committed to 14 projects and €1.1 million to related fees (including external experts' costs, TA management fees, and other misc. costs).

New eeef TAF Programmes

The city of Reus joins the eeef technical assistance facility to accelerate energy efficiency in Catalonia

Reus, the second-largest city in the Province of Tarragona, is located approximately 10 km from the Mediterranean coast in Catalonia, Spain. As a signatory to the Covenant of Mayors, it is committed to advancing the EU's climate and energy objectives.

Strategically located between Europe and the Mediterranean, the City of Reus is an important economic and logistics hub. It covers 52.8 km², has approximately 111,601 inhabitants, and promotes innovation, digital transformation, sustainability, and the circular economy in cooperation with leading research institutions.

On 28 July 2025, the eeef and Reus City signed a TA Agreement to develop the project "Smart Energy at Reus: Energy Efficiency and Smart Management." The objective is to increase the overall energy efficiency levels in the city by providing building renovation for 21 public buildings, installing PV systems on seven identified public buildings, and/or developing energy communities if feasible (i.e., sports centres, a brigade warehouse, a cemetery and a vehicle deposit), providing energy efficiency upgrades in street lighting (i.e., 19,706 light points), and developing a digital platform for monitoring electricity and heat consumption in 20 buildings.

The project volume for the programme is approximately €12.5 million. This will facilitate the City of Reus reaching the required renovation and energy levels to contribute to the local and national targets.

Supported services include the completion of energy audits for 19,706 street lighting points and 21 public buildings, a feasibility study for solar PV installations on seven buildings and/or self-consumption evaluation, and technical studies for the development of a digital platform. Additional support includes evaluating the investment's economic viability, preparing tender documents aligned with the PPP/ESCO model, providing access to external advisers and undertaking legal analysis.

Recent developments:

- In 2025, the Fund launched an open call for proposals to select the best adviser to provide consultancy services to the City of Reus TA project. The Fund received proposals from three candidates, and the TA consultancy assignment was awarded to the Consultant/ Consortium SINLOC SpA.
- The TA Agreement for Consultancy Services is expected to be signed by the beginning of 2026.



Sustainability and Environmental & Social Management

The Fund's Social and Environmental Management System (SEMS) provides a structured and proportionate framework to identify, assess, mitigate and monitor Environmental, Social and Governance (ESG) risks across the entire portfolio. As a public-sector oriented fund investing in municipal infrastructure and public service providers, the eef operates in sectors where environmental and social performance is essential to both regulatory compliance and project success. The SEMS ensures that every project entering the portfolio adheres to robust ESG safeguards and that risks are managed consistently throughout the lifecycle of each investment.

Alongside the SEMS, the Fund's sustainability framework incorporates EU Taxonomy assessment and reporting under the Sustainable Finance Disclosure Regulation (SFDR). The EU Taxonomy assessment considers the applicable Technical Screening Criteria, including substantial contribution, Do No Significant Harm (DNSH) and Minimum Social Safeguards, while SFDR reporting covers the attainment of the Fund's sustainable investment objective and the consideration of Principal Adverse Impacts (PAIs). Together, these elements complement the SEMS by providing a broader framework for assessing and reporting the sustainability characteristics of the Fund's investments.

SEMS scope and objectives

The SEMS covers all stages of project development and implementation, from initial screening through due diligence, investment approval, contracting, construction and operation. Its primary objectives are to:

- Ensure that all financed activities comply with applicable EU and national environmental, social and labour legislation
- Identify and mitigate environmental and social risks early in the process
- Promote responsible procurement, transparency and good governance in municipal and public-sector entities.
- Ensure ongoing monitoring and reporting, including annual ESG performance reviews
- Support alignment with EU Taxonomy minimum safeguards and Do No Significant Harm (DNSH) requirements, where applicable

The Fund applies the SEMS consistently across Direct Investments (DI) and Financial Intermediaries (FI) and Technical Assistance, with the approach tailored to differences in scale, sector and risk profile.

No amendments were made to the Fund's SEMS during 2025, and the May 2023 policy remained in effect.

Initial screening and categorisation

Each investment is assessed under the Fund's SEMS framework and assigned a social and environmental category. Category A investments follow, or are close to following, best practices, while Category B investments are considered acceptable but may require certain conditions or mitigation measures to be fulfilled. Investments with significant shortcomings may be classified as Category C or D. The table below presents the SEMS category assigned to each investment in the portfolio and any change in categorisation during 2025.

Investment	SEMS Category
Jewish Museum Berlin (DE)	A
Sant'Orsola-Malpighi Hospital, Bologna (IT)	B
Illuminated Cities (IT)	A
Energetica – District Heating (IT)	B
Santander (ES)	A
Gijón (ES)	A
City of Venlo (NL)	A
Rennes Biomass CHP (FR)	B
ILTE TIPS Platform (LT)	A/B across underlying sub-projects
OVHA – Cardenden (UK)	A
Coop Pank (EE)	A/B across underlying sub-projects
Signet Bank (LV)	B
Livland Biomethane (LV)	B
Cogeme Green (IT)	B





Environmental risk management

Environmental risks in the Fund's sectors primarily relate to:

- Air emissions from heating or CHP systems.
- Construction-phase impacts (dust, noise, waste management).
- Waste handling from equipment replacement (e.g. luminaires, boilers).
- Local biodiversity considerations for outdoor works.
- Feedstock, digestate and potential fugitive-emission management for bioenergy projects.
- Pollution prevention and resource efficiency.

No material environmental incidents were reported to the Fund during 2025. Street-lighting and building-level upgrades are subject to applicable requirements for the handling and disposal of replaced equipment.

For biomass CHP, environmental performance was monitored through:

- Fuel sourcing documentation.
- Compliance with emissions standards.
- Ash management and disposal procedures.
- Sustainable forestry certification for feedstock.

For the biomethane project under construction during 2025, environmental monitoring focused on construction-phase compliance and the implementation of appropriate controls ahead of commissioning and operation.

Social and labour considerations

The Fund invests primarily in projects implemented by public authorities and regulated utility or service companies, which are subject to applicable national labour, health and safety requirements and, where relevant, EU requirements.

Across 2025:

- No significant labour or occupational safety incidents were reported to the Fund
- Public procurement followed transparent procedures, consistent with EU directives
- Municipalities ensured compliance with working-hour rules, safety equipment requirements and contractor training obligations
- Projects involving upgrades in hospitals, schools and public spaces placed emphasis on avoiding disruption and maintaining safe conditions for users

Governance, compliance and procurement

Governance forms a core pillar of the SEMS due diligence process. The Fund evaluates:

- Institutional capacity of the beneficiary
- Procurement procedures
- Anti-corruption and conflict-of-interest safeguards
- Transparency and oversight mechanisms
- Compliance with state-aid and public-sector frameworks

In 2025, governance across public-sector beneficiaries and private entities acting on their behalf remained strong, supported by established internal procedures, oversight mechanisms and applicable public procurement frameworks.

Financial Intermediaries implemented E&S screening and anti-money-laundering controls through their internal risk systems, supplemented by SEMS alignment requirements at the Fund level.

Application of SEMS to Financial Intermediaries

The Fund applies a tailored approach to Financial Intermediaries, reflecting their role in deploying capital to smaller, decentralised projects. Each Financial Intermediary is required to:

- Apply environmental and social screening procedures aligned with the Fund's SEMS and applicable eligibility requirements
- Ensure that underlying projects comply with applicable environmental and social laws and the Fund's Exclusion List
- Monitor and report relevant environmental and social information, including energy and CO₂ savings where applicable
- Report material environmental, social, health and safety incidents relating to the underlying projects
- Provide information on the underlying projects and sub-loans financed through the facility
- Provide the required annual environmental and social compliance reporting and certification

During 2025, TIPS, Signet Bank and Coop Pank continued to provide information on their respective underlying portfolios as part of the Fund's monitoring process. Where additional information or clarification was required in relation to individual sub-projects, this was addressed through the normal monitoring process.

EU Taxonomy alignment

The EU Taxonomy forms part of the Fund's sustainability assessment framework alongside the SEMS. During 2025, Arcadis, an independent third-party adviser, updated the EU Taxonomy assessment of the Fund's existing portfolio and reviewed more recent investments. The assessment considered the applicable Technical Screening Criteria, including substantial contribution to climate change mitigation, the DNSH criteria and Minimum Social Safeguards. The scope and evidence available differed between investments: certain projects were subject to detailed project-level assessments, while for projects under development or where sufficient information was not yet available, the review identified the applicable Taxonomy requirements and supporting documentation required to demonstrate alignment.

EU Taxonomy considerations are also incorporated into the Fund's ongoing investment and monitoring processes. For new Direct Investments, the relevant economic activities and applicable Taxonomy criteria are considered as part of the investment due diligence and approval process, with alignment assessed on the basis of the technical, environmental and social information available for the project. For investments through Financial Intermediaries, the Fund primarily relies on the assessment of the underlying projects or sub-loans carried out by the relevant intermediary and reviews the information provided as part of its ongoing monitoring.



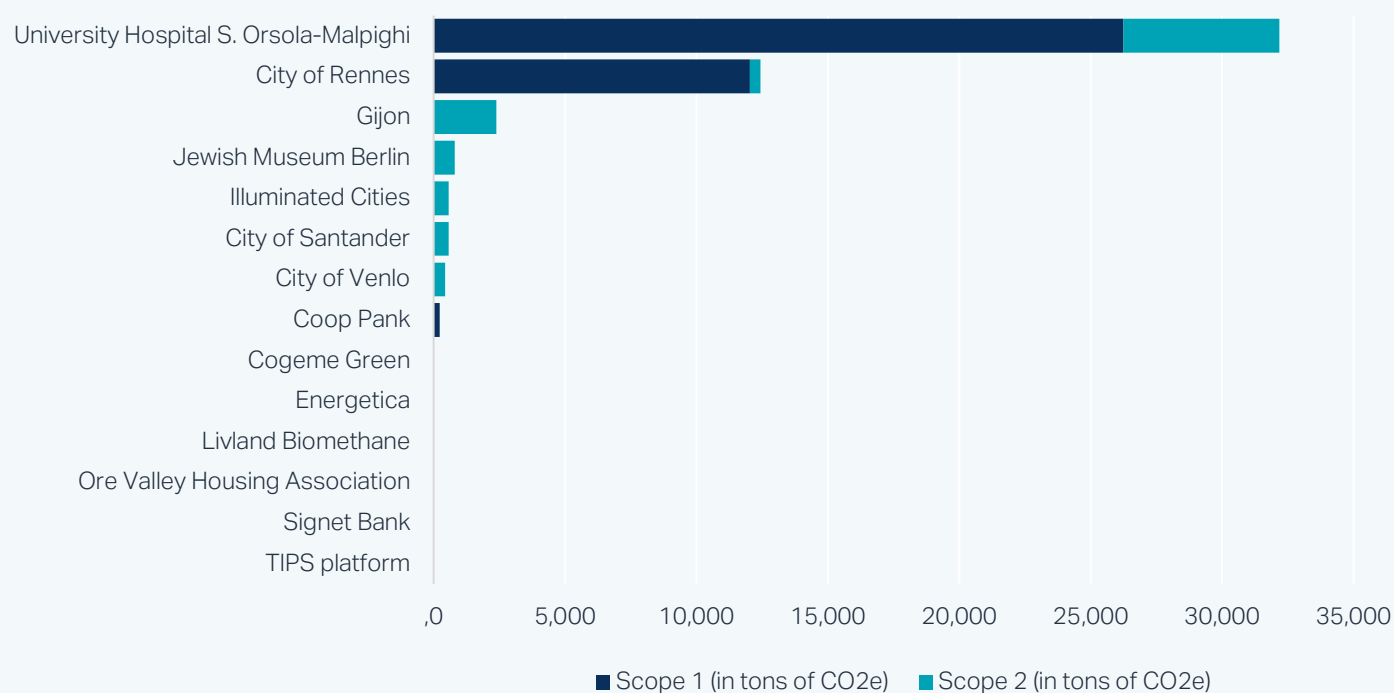
SFDR disclosures and Principal Adverse Impacts

As an Article 9 financial product under the SFDR, the Fund reports on the attainment of its sustainable investment objective and considers Principal Adverse Impacts on sustainability factors as part of its investment and monitoring framework. PAIs are also considered as part of the Fund's DNSH assessment. The following table presents the Fund-level PAI indicators for the 2025 reporting period on a best-effort basis, based on the information available at the reporting date.

Categories	Indicators	Value	Comments
PAI 1 - Scope 1 GHG emissions (weighted)	TCO _{2e}	21,483.58	The calculation is based on preliminary data for 2025, where estimations and assumptions are made based on some of the 2024 figures where 2025 data was not available.
PAI 1 - Scope 2 GHG emissions (weighted)	TCO _{2e}	8,380.49	The calculation is based on preliminary data for 2025, where estimations and assumptions are made based on some of the 2024 figures where 2025 data was not available.
PAI 1 - Scope 3 GHG emissions (weighted)	TCO _{2e}	9.74	
PAI 1 - Total GHG emissions (weighted)	TCO _{2e}	29,873.81	The calculation is based on preliminary data for 2025, where estimations and assumptions are made based on some of the 2024 figures where 2025 data was not available.
PAI 2 - Carbon footprint	TCO _{2e} / Million €	202.67	The calculation is based on preliminary data for 2025, where estimations and assumptions are made based on some of the 2024 figures where 2025 data was not available.
PAI 3 - GHG Intensity of investee companies	TCO _{2e} / Million €	Not applicable	Not applicable - The Fund does not invest in companies at corporate level, but in project finance transactions.
PAI 4 - Exposure to companies active in the fossil fuel sector	Percentage	0.00	
PAI 4 - Exposure to companies active in the coal sector	Percentage	0.00	
PAI 5 - Share of non-renewable energy consumption	Percentage	Not applicable	Not applicable - The Fund does not invest in companies. The Fund invests in project finance transactions. Hence, we do not have investee companies but invested projects. As of end of 2025, a substantial number of invested projects consume energy from the national grid. As the separate tracking of renewable and non-renewable source of national grid for each individual project is not reliably available, on the prudent basis we cannot provide the share of non-renewable energy to renewable energy.
PAI 5 - Share of non-renewable energy production	Percentage	31.96	The calculation is based on preliminary data for 2025, where estimations and assumptions are made based on some of the 2024 figures where 2025 data was not available.
PAI 6 - Energy consumption intensity per high impact climate sector	GWh per € million	0.00	The high impact sectors are currently not relevant (0%) as the Fund is not investing in those.
PAI 7 - Activities negatively affecting biodiversity sensitive areas	Percentage	Not applicable	Not applicable - The underlying portfolio is not affecting biodiversity sensitive areas.

Categories	Indicators	Value	Comments
PAI 8 - Emissions to water	T/Million €	Not applicable	Not applicable - The underlying portfolio does not produce any emissions to water.
PAI 9 – Hazardous waste and radioactive waste ratio	T/Million €	Not applicable	Not applicable - The underlying portfolio does not produce any radioactive waste.
PAI 10 - Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Percentage	0.00	
PAI 11 - Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Percentage	0.00	
PAI 12 - Unadjusted gender pay gap	Percentage	Not applicable	Not applicable - The Fund does not invest in companies. The Fund invests in project finance transactions. Hence, there are no investee companies but invested projects.
PAI 13 - Board gender diversity	Percentage	Not applicable	Not applicable - The Fund does not invest in companies. The Fund invests in project finance transactions. Hence, there are no investee companies but invested projects.
PAI 14 - Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Percentage	Not applicable	Not applicable - The Fund has a clear exclusion on controversial weapons.

Scope 1 and Scope 2 GHG emissions of portfolio projects in 2025



Overall Sustainability Assessment 2025

The 2025 review indicates that the Fund's portfolio continued to operate in line with the SEMS framework. Key observations for the reporting period were:

- No material environmental or social non-compliance or critical SEMS incidents were reported to or identified by the Fund
- Direct Investments continued to be monitored through project reporting, including environmental permits, technical documentation and implementation-related controls where relevant
- Financial Intermediaries continued to apply environmental and social screening and reporting requirements to the underlying projects financed through their facilities
- EU Taxonomy assessments and SFDR reporting, including consideration of Principal Adverse Impacts, complemented the Fund's SEMS monitoring framework
- For certain investments, operational impact data were not available or not yet applicable. In such cases, reported energy and emissions savings were considered separately from the assessment of EU Taxonomy and other regulatory sustainability requirements

Overall, the Fund continued to apply its environmental and social safeguards across the portfolio while strengthening the assessment and monitoring of projects under implementation and investments deployed through Financial Intermediaries.



Conclusion

The 2025 Impact Report reflects a year of stable performance across the European Energy Efficiency Fund's portfolio, demonstrating the continued value of long-term investment in public-sector energy and climate infrastructure. Despite varying levels of data availability across projects, the portfolio as a whole delivered sustained environmental benefits by reducing energy consumption, lowering greenhouse gas emissions and strengthening the resilience and efficiency of municipal services.

Direct Investments continued to anchor the Fund's impact, particularly through large-scale renewable heat assets and major municipal lighting upgrades that consistently deliver significant annual savings. Financial Intermediary investments broadened the reach of the Fund's financing to smaller and more dispersed projects, supporting energy efficiency, renewable energy, clean urban transport and related enabling infrastructure.

Throughout the year, the Social and Environmental Management System ensured that all projects complied with applicable environmental, social and governance safeguards, while ongoing EU Taxonomy screening supported alignment with climate change mitigation objectives and the Do No Significant Harm principle. SFDR reporting, including the consideration of Principal Adverse Impacts, further supported the Fund's sustainability monitoring and disclosure framework.

The Fund maintained its strong focus on accountability, transparency and responsible investment, particularly in relation to projects in their first operational year and facilities still in portfolio ramp-up.

Technical Assistance continued to support municipalities in preparing robust pipelines of future investments across public buildings, lighting, renewable heat and energy management. While these assignments do not contribute to the quantitative impact results for 2025, they represent important foundations for the next phase of municipal decarbonisation and will enable more cities to access investment-ready projects in the years ahead.

The Fund remains aligned with the EU's long-term decarbonisation objectives and continues to support the transition to efficient, resilient and low-carbon public infrastructure.



Glossary

Baseline

The reference year or period used to measure energy consumption, emissions and performance prior to project implementation.

Building Management System (BMS)

A digital control system that manages heating, cooling, ventilation, lighting and other building services to optimise energy use and indoor comfort.

Biomass Combined Heat and Power (CHP)

An energy system that uses sustainably sourced biomass to produce heat and electricity simultaneously at high efficiency.

Clean Urban Transport (CUT)

Low-emission mobility solutions, including electric buses or vehicles, that reduce air pollution and greenhouse gas emissions in urban areas.

Cumulative Savings

Total energy or emissions savings achieved from financial close to the reporting year.

Direct Investments (DI)

Projects financed directly by the eeef, typically involving municipal infrastructure such as street lighting, public buildings, hospitals or renewable heat systems.

Do No Significant Harm (DNSH)

A principle of the EU Taxonomy requiring that an activity does not significantly harm environmental objectives beyond its primary contribution.

Energy Efficiency (EE)

Measures that reduce energy consumption while maintaining or improving service levels, such as LED lighting, efficient heating systems or building upgrades.

Energy Performance Contract (EPC)

A contractual arrangement where an energy service provider implements efficiency measures and guarantees a level of energy savings.

EU Taxonomy

A regulatory classification system defining which economic activities are environmentally sustainable, based on contribution to climate objectives, DNSH criteria and social safeguards.

Financial Intermediary (FI)

A bank or national promotional institution that receives eeef financing and on-lends it to smaller or decentralised climate projects.

Forfeiting Facility

A financing instrument where the Fund purchases receivables from an energy performance contract or similar service contract, enabling municipalities to implement projects without upfront capital expenditure.

Greenhouse Gas Emissions (GHG)

Emissions of gases, including CO₂, that contribute to global warming. Reported as carbon dioxide equivalents (tCO₂e).

Heating, Ventilation and Air Conditioning (HVAC)

Systems responsible for regulating indoor temperature, humidity, and air quality.

Minimum Social Safeguards

EU Taxonomy requirement ensuring compliance with human rights, labour laws and responsible business conduct frameworks.

Primary Energy Savings

Reductions in the total energy required to meet end-use demand, before conversion or distribution losses.

Principal Adverse Impacts (PAIs)

Indicators under SFDR used to assess the principal negative effects of investment decisions on sustainability factors. The Fund considers applicable PAIs as part of its investment and monitoring framework and its DNSH assessment.

Public–Private Partnership (PPP)

A contractual arrangement where public-sector entities collaborate with private companies to deliver infrastructure or services.

Renewable Heat

Heat generated from renewable sources such as biomass, solar thermal or waste heat recovery.

SEMS (Social and Environmental Management System)

The Fund's framework for screening, assessing, mitigating and monitoring environmental, social and governance (ESG) risks throughout the project lifecycle.

Smart Lighting / Telemanagement

Digital systems that monitor and control public lighting networks remotely, enabling adaptive dimming, real-time fault detection and energy optimisation.

Sub-Project or Sub-Loan (FI context)

Individual investments financed by a Financial Intermediary using eeef funds, typically involving small-scale efficiency or renewable measures.

Subordinated Loan

A financing instrument where the eeef's claim ranks below senior lenders, enhancing the FI's capital structure and lending capacity.

Sustainable Finance Disclosure Regulation (SFDR)

EU regulation establishing sustainability-related disclosure requirements for financial market participants and financial products. The eeef reports as an Article 9 financial product under SFDR.

Technical Assistance (TA)

Support provided to municipalities for preparing energy efficiency or renewable energy projects, including audits, feasibility studies, and procurement frameworks. TA projects do not generate impact until implementation.

Tri-Generation (CCHP)

A system that simultaneously produces electricity, heat and cooling from a single energy source.



Gresham House
Specialist investment