



## **Sustainability Policy<sup>1</sup>**

The Nordic Environment Finance Corporation (NEFCO) is an international financial institution established by the Nordic countries. NEFCO's mission is to finance environmentally sustainable projects of Nordic interest. NEFCO provides loans and equity investments in order to generate cost-effective environmental benefits.

NEFCO prioritizes projects that directly or indirectly improve the ecological status of the Baltic Sea, reduce releases of climate gases and mitigate release of toxic pollutants. NEFCO undertakes initiatives to promote environmental responsibility; and encourage the development and diffusion of environmentally friendly technologies.

NEFCO strives towards a pro-active and continuous development of its financing activities as well as transparency and accountability towards its stakeholders taking into account confidentiality requirements. NEFCO is committed to fighting fraud and corruption in all its activities.

NEFCO's clients shall as a minimum adhere to the legal and regulatory requirements of their countries of operation. NEFCO promotes the application of international conventions, good practices and high standards in relation to environmental and social sustainability, human rights, labour practices, the rights of consumers and communities as well as occupational health and safety. NEFCO aims at minimizing the negative impacts of its financing and where adverse impacts cannot be avoided they must be appropriately reduced, mitigated or compensated for.

NEFCO assesses the environmental and social impacts of project applications for consistency with this Policy and the guidelines listed below. In co-financed projects NEFCO may agree to the application of the co-financier's sustainability requirements when they are in general accordance to NEFCO policy. NEFCO verifies that the projects to be financed have a direct or indirect positive environmental impact on the local as well as the Nordic environment. The projects financed by NEFCO are subject to mandatory recurrent reporting of environmental achievements. A post assessment of the environmental impacts is conducted for every project financed by NEFCO.

Further documents governing NEFCO's requirements in relation to sustainability are available at [www.nefco.org](http://www.nefco.org) under Introduction/Legal Framework:

- Environmental Policy and Guidelines
- European Principles for the Environment
- NEFCO Board Resolution on Fighting Corruption
- Disclosure Policy
- Procurement Guidelines
- Code of Conduct for the Staff

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<sup>1</sup> This Policy is adopted by the Board of Directors of NEFCO as of 1 November 2013.