

# Electricity Supply Board

**Type of Engagement:** Annual Review

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**Engagement Team:**

Vedang Kulkarni, [vedang.kulkarni@morningstar.com](mailto:vedang.kulkarni@morningstar.com)

## Introduction

Electricity Supply Board of Ireland (“ESB”) issued the 2019 Green Bond, the 2022 Green Bond and the 2023 Green Bond (collectively the “Green Bonds”) raising a total of EUR 1.7 billion to finance environmentally sustainable projects. In October 2025, ESB engaged Sustainalytics to review the projects financed with proceeds from the Green Bonds (the “Nominated Expenditures”) and provide an assessment as to whether they meet the use of proceeds criteria and whether ESB complied with the reporting commitments in the ESB Green Bond Framework 2023,<sup>1</sup> which is an update of the ESB Green Bond Framework 2019<sup>2</sup> (collectively the “Frameworks”). Sustainalytics provided a Second-Party Opinion on the Green Bond Framework 2023 in September 2023<sup>3</sup> and Green Bond Framework 2019 in May 2019.<sup>4</sup> This is Sustainalytics’ sixth annual review of allocation and reporting of the instruments issued under the Frameworks, following the previous review in June 2020, June 2021, July 2022, September 2023 and October 2024.<sup>5</sup>

## Evaluation Criteria

Sustainalytics evaluated the Nominated Expenditures and ESB’s reporting based on whether they:

1. Meet the use of proceeds and eligibility criteria defined in the Framework; and
2. Reported on at least one key performance indicator (KPI) for each use of proceeds category defined in the Framework.

**Table 1: Use of Proceeds Categories, Eligibility Criteria and Associated KPIs of the ESB Green Bond Framework 2019**

Use of Proceeds Category	Eligibility Criteria	Key Performance Indicators
<b>Renewable Energy</b>	<ol style="list-style-type: none"> <li>Renewable power projects including wind and solar</li> <li>Power transmission and other technical infrastructure are required to connect new sources of renewable power generation to the grid</li> </ol>	<ol style="list-style-type: none"> <li>MW of installed or connected renewables</li> <li>Expected annual renewable energy generation (MWh)</li> </ol>

<sup>1</sup> ESB, “Green Bond Framework 2023”, at: [https://cdn.esb.ie/media/docs/default-source/investor-relations-documents/esb-green-bond-framework-2023.pdf?sfvrsn=fda3a926\\_0&\\_gl=1\\*zl93k3\\*\\_ga\\*MTE00TU0NDQ5NS4xNzYwMDE0NzI4\\*\\_ga\\_FK4GRM6Q1X\\*cze3NjAwMTQ3MjckbzEkZzEkdDE3NjAwMTQ3MzQkajUzJGwwJGgw](https://cdn.esb.ie/media/docs/default-source/investor-relations-documents/esb-green-bond-framework-2023.pdf?sfvrsn=fda3a926_0&_gl=1*zl93k3*_ga*MTE00TU0NDQ5NS4xNzYwMDE0NzI4*_ga_FK4GRM6Q1X*cze3NjAwMTQ3MjckbzEkZzEkdDE3NjAwMTQ3MzQkajUzJGwwJGgw)

<sup>2</sup> ESB, “Green Bond Framework 2019”, at: [https://cdn.esb.ie/media/docs/default-source/investor-relations-documents/esb-bond-framework-2019.pdf?sfvrsn=c6a004f0\\_0&\\_gl=1\\*f66gwe\\*\\_ga\\*MTE00TU0NDQ5NS4xNzYwMDE0NzI4\\*\\_ga\\_FK4GRM6Q1X\\*cze3NjAwMTQ3MjckbzEkZzEkdDE3NjAwMTQ3MzQkajUzJGwwJGgw](https://cdn.esb.ie/media/docs/default-source/investor-relations-documents/esb-bond-framework-2019.pdf?sfvrsn=c6a004f0_0&_gl=1*f66gwe*_ga*MTE00TU0NDQ5NS4xNzYwMDE0NzI4*_ga_FK4GRM6Q1X*cze3NjAwMTQ3MjckbzEkZzEkdDE3NjAwMTQ3MzQkajUzJGwwJGgw)

<sup>3</sup> ESB, “Second-Party Opinion, ESB Green Bond Framework”, (2023) at: [https://cdn.esb.ie/media/docs/default-source/investor-relations-documents/esb-green-bond-framework-second-party-opinion97f54eb214fd43f6a0817f8d2cbc082f.pdf?sfvrsn=fc080d6b\\_0&\\_gl=1\\*f3z644\\*\\_ga\\*MTE00TU0NDQ5NS4xNzYwMDE0NzI4\\*\\_ga\\_FK4GRM6Q1X\\*cze3NjAwMTQ3MjckbzEkZzEkdDE3NjAwMTQ3MzQkajUzJGwwJGgw](https://cdn.esb.ie/media/docs/default-source/investor-relations-documents/esb-green-bond-framework-second-party-opinion97f54eb214fd43f6a0817f8d2cbc082f.pdf?sfvrsn=fc080d6b_0&_gl=1*f3z644*_ga*MTE00TU0NDQ5NS4xNzYwMDE0NzI4*_ga_FK4GRM6Q1X*cze3NjAwMTQ3MjckbzEkZzEkdDE3NjAwMTQ3MzQkajUzJGwwJGgw)

<sup>4</sup> ESB, “Second-Party Opinion, ESB Green Bond”, (2019), at: [https://cdn.esb.ie/media/docs/default-source/investor-relations-documents/esb-green-bond-framework-second-party-opinion.pdf?sfvrsn=7a004f0\\_0&\\_gl=1\\*zubkb1\\*\\_ga\\*MTE00TU0NDQ5NS4xNzYwMDE0NzI4\\*\\_ga\\_FK4GRM6Q1X\\*cze3NjAwMTQ3MjckbzEkZzEkdDE3NjAwMTQ3MzQkajUzJGwwJGgw](https://cdn.esb.ie/media/docs/default-source/investor-relations-documents/esb-green-bond-framework-second-party-opinion.pdf?sfvrsn=7a004f0_0&_gl=1*zubkb1*_ga*MTE00TU0NDQ5NS4xNzYwMDE0NzI4*_ga_FK4GRM6Q1X*cze3NjAwMTQ3MjckbzEkZzEkdDE3NjAwMTQ3MzQkajUzJGwwJGgw)

<sup>5</sup> ESB, “Green Financing”, at: <https://esb.ie/investors/green-financing>

		iii. Estimated annual GHG emissions reduced/avoided (in tonnes of CO <sub>2</sub> equivalent)
<b>Energy Efficiency</b>	<ul style="list-style-type: none"> <li>i. Energy efficiency solutions, including smart metering and other technologies designed to manage/reduce demand</li> <li>ii. Upgrade of existing power transmission infrastructure aiming to improve energy efficiency/reducing transmission losses</li> <li>iii. Projects designed to improve the energy efficiency of ESB's commercial buildings, displace fossil fuel building technology with zero and low carbon alternatives and improve overall building energy performance. Eligible projects will target a 50% reduction in building energy consumption when compared to pre-project base line performance</li> </ul>	<ul style="list-style-type: none"> <li>i. Number of smart meters installed</li> <li>ii. Number of customers using smart meters (supply)</li> <li>iii. Annual energy savings (MWh)</li> <li>iv. Capacity of energy storage facilities installed</li> <li>v. Annual reduction in energy consumption (kWh)</li> <li>vi. Estimated annual GHG emissions reduced/avoided (in tonnes of CO<sub>2</sub> equivalent)</li> </ul>
<b>Clean Transportation</b>	<ul style="list-style-type: none"> <li>i. Infrastructure where facilitates have increased penetration of electric vehicles into the market</li> <li>ii. Electric vehicles</li> </ul>	<ul style="list-style-type: none"> <li>i. Number of electric vehicles charging points installed or upgraded</li> <li>ii. Number of electric vehicles in ESB fleet</li> </ul>
<b>Green Buildings</b>	<p>Buildings that are certified under recognized sustainable building certification schemes and have obtained the following green certifications (or equivalent):</p> <ul style="list-style-type: none"> <li>i. LEED: (Gold and above)</li> <li>ii. BREEAM: (Very Good and above)</li> </ul>	<ul style="list-style-type: none"> <li>i. Certification, e.g. BREEAM rating</li> <li>ii. Annual energy savings (MWh)</li> <li>iii. Estimated annual GHG emissions reduced/avoided (in tonnes of CO<sub>2</sub> equivalent)</li> </ul>

**Table 2: Use of Proceeds Categories, Eligibility Criteria and Associated KPIs of the ESB Green Bond Framework 2023**

Use of Proceeds Category	Eligibility Criteria	Key Performance Indicators
<b>Renewable Energy</b>	<ul style="list-style-type: none"> <li>i. Offshore and onshore wind power generation projects</li> <li>ii. Solar power projects</li> </ul>	<ul style="list-style-type: none"> <li>i. MW of installed renewables</li> <li>ii. Expected annual renewable energy generation (MWh)</li> <li>iii. Estimated annual GHG emissions reduced/avoided (in tonnes of CO<sub>2</sub> equivalent)</li> </ul>
<b>Electricity Networks</b>	<ul style="list-style-type: none"> <li>i. Grid expenditure including modernization and upgrade to facilitate increased renewable energy capacity connection subject to the grid meeting at least two of the EU Taxonomy criteria for eligibility: <ul style="list-style-type: none"> <li>a) the system is the interconnected European system</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>i. MW of renewables connected</li> <li>ii. Number of smart meters installed</li> <li>iii. Estimated annual GHG emissions reduced/avoided (in tonnes of CO<sub>2</sub> equivalent) when available</li> </ul>

	<p>b) more than 67% of newly enabled generation capacity in the system is below the generation threshold value of 100 gCO<sub>2</sub>e/kWh measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period</p> <p>c) the average system grid emissions factor, calculated as the total annual emissions from power generation connected to the system divided by the total annual net electricity production in that system, is below the threshold value of 100 gCO<sub>2</sub>e/kWh measured on a life cycle basis in accordance with electricity generation criteria, over a rolling five-year period</p> <p>ii. Smart meter installation: installation of equipment such as, but not limited to, future smart metering systems or those replacing smart metering systems in line with Article 19(6) of Directive (EU) 2019/944 of the European Parliament and of the Council (180), which meet the requirements of Article 20 of Directive (EU) 2019/944, able to carry information to users for remotely acting on consumption, including customer data hubs</p> <p>iii. Connection of renewable electricity supplies to the grid: construction and operation of direct connection, or expansion of existing direct connection, of low carbon electricity generation below the threshold of 100 gCO<sub>2</sub>e/kWh measured on a life cycle basis to a substation or network</p>	
<p><b>Energy Efficiency</b></p>	<p>Battery storage projects: the activity is the construction and operation of electricity storage including pumped hydropower storage</p>	<p>i. Capacity of energy storage facilities installed</p> <p>ii. Expected annual generation (MWh)</p> <p>iii. Annual energy savings (MWh)</p> <p>iv. Estimated annual GHG emissions reduced/avoided (in tonnes of CO<sub>2</sub> equivalent) when available</p>

### Issuer's Responsibility

ESB is responsible for providing accurate information and documentation relating to the details of the projects, including descriptions, amounts allocated and impact.

## Independence and Quality Control

Sustainalytics, a leading provider of ESG research and ratings, conducted the verification of the use of proceeds from ESB Green Bonds. The work undertaken as part of this engagement included collection of documentation from ESB and review of said documentation to assess conformance with the Frameworks.

Sustainalytics relied on the information and the facts presented by ESB. Sustainalytics is not responsible nor shall it be held liable for any inaccuracies in the opinions, findings or conclusions herein due to incorrect or incomplete data provided by ESB.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight of the review.

## Conclusion

Based on the limited assurance procedures conducted,<sup>6</sup> nothing has come to Sustainalytics' attention that causes us to believe that, in all material respects, the Nominated Expenditures do not conform with the use of proceeds criteria and reporting commitments in the Framework. The proceeds from the Green Bonds were fully allocated by 31 December 2024.

## Detailed Findings

Table 3: Detailed Findings

Framework Requirements	Procedure Performed	Factual Findings	Error or Exceptions Identified
<b>Use of Proceeds Criteria</b>	Verification of projects to determine alignment with the use of proceeds criteria outlined in the Frameworks.	The Nominated Expenditures comply with the use of proceeds criteria.	None
<b>Reporting Criteria</b>	Verification of projects or assets to determine if impact was reported in line with the KPIs outlined in the Frameworks.	ESB reported on at least one KPI per use of proceeds category.	None

<sup>6</sup> Sustainalytics' limited assurance process includes reviewing documentation relating to details of projects, as provided by the issuing entity, which is responsible for providing accurate information. These may include descriptions of projects, estimated and realized costs, and reported impact. Sustainalytics has not conducted on-site visits to projects.

## Appendices

### Appendix 1: Allocation Reporting

Table 4: Allocation of Proceeds from the 2019 Green Bond and the 2022 Green Bond

Use of Proceeds Category	Project Name	Project Status	2019 Green Bond	2022 Green Bond
			Amount Allocated (EUR million)	Amount Allocated (EUR million)
Renewable Energy	Offshore Windfarm: Neart na Gaoithe	Operational <sup>7</sup>	223.2	320.1
	Offshore Windfarm: Galloper	Operational	130.9	-
	Onshore Windfarm: Grousemount	Operational	154.7	-
	Onshore Windfarm: Cappawhite	Operational	16.2	-
	Onshore Windfarm: Castlepook	Operational	56.0	-
Energy Efficiency	Smart Meter Roll-Out	Ongoing Project	50.0	178.3
Clean Transportation	Electric Vehicle	Operational	6.2	-
Green Buildings	Project Fitzwilliam – ESB’s Head Office Redevelopment	Complete	60.8	-
<b>Total Amount Allocated</b>			<b>698.0</b>	<b>498.4</b>
<b>Total Net Proceeds Raised</b>			<b>700.0<sup>8</sup></b>	<b>500.0<sup>9</sup></b>

Table 5: Allocation of Proceeds from the 2023 Green Bond

Use of Proceeds Category	Project Name	Project Status	Amount Allocated (EUR million)
Renewable Energy	Solar Farm: Drombeg	In Construction <sup>10</sup>	25.1
	Solar Farm: Bullstown	Operational <sup>11</sup>	9.8
	Solar Farm: Middleton House	In Construction <sup>12</sup>	24.3
Energy Efficiency	Battery Storage: Aghada 1 BESS	Operational	9.6
	Battery Storage: Aghada 2 BESS	Operational	140.3
	Battery Storage: Inchicore BESS	Operational	16.3
	Battery Storage: Poolbeg BESS	Operational	54.9
	Battery Storage: Southwall BESS	Operational	30.9
Electricity Networks	Smart Meter Roll-Out	Ongoing Project <sup>13</sup>	182.0
<b>Total Amount Allocated</b>			<b>493.2</b>
<b>Total Net Proceeds Raised</b>			<b>500.0<sup>14</sup></b>

<sup>7</sup> ESB has communicated to Sustainalytics that this project became operational as of May 2025.

<sup>8</sup> The remaining EUR 2 million were incurred as transactional costs.

<sup>9</sup> The remaining EUR 1.6 million were incurred as transactional costs.

<sup>10</sup> ESB has communicated to Sustainalytics that the project is expected to be completed by 2026.

<sup>11</sup> ESB has communicated to Sustainalytics that the project became operational in the third quarter of 2025.

<sup>12</sup> ESB has communicated to Sustainalytics that the project is expected to be completed by 2026.

<sup>13</sup> ESB has communicated to Sustainalytics that the installation of new meters is still in progress and will continue until 2026.

<sup>14</sup> The remaining EUR 6.8 million were incurred as transactional costs.

## Appendix 2: Reported Impact

Table 6: Reported Impact for the 2019 Green Bond and 2022 Green Bond

Use of Proceeds Category	Project Name	Generation Capacity (MW)	Qualifying Energy Generated (MWh)	Estimated Qualifying tCO <sub>2</sub> e Avoided	Other Impact Indicators
Renewable Energy	Offshore Windfarm: Neart na Gaoithe	224	-	-	-
	Offshore Windfarm: Galloper	44	186,279	38,569	-
	Onshore Windfarm: Grousemount	123	261,049	53,332	-
	Onshore Windfarm: Cappawhite	57	29,549	6,037	-
	Onshore Windfarm: Castlepook	35	66,028	13,490	-
Energy Efficiency	Smart Meter Roll-Out	-	-	-	By December 2024, the 2019 and 2022 Green Bonds has funded about 0.12 million and 0.42 million smart meters, respectively
Clean Transportation	Electric Vehicle	-	-	-	138 fast chargers and 118 AC chargers installed
Green Buildings	Project Fitzwilliam ESB's Head Office Redevelopment	-	-	-	BREEAM Excellent certified building
<b>Total</b>		<b>483</b>	<b>542,905</b>	<b>111,428</b>	-

Table 7: Reported Impact for the 2023 Green Bond

Use of proceeds Category	Project Name	Generation Capacity (MW)	Other Impact Indicators
Renewable Energy	Solar Farm: Drombeg	50	-
	Solar Farm: Bullstown <sup>15</sup>	8	-
	Solar Farm: Middleton House	57	-
Energy Efficiency	Battery Storage: Aghada 1 BESS	-	19MW Capacity
	Battery Storage: Aghada 2 BESS	-	150MW Capacity
	Battery Storage: Inchicore BESS	-	30MW Capacity
	Battery Storage: Poolbeg BESS	-	75MW Capacity
	Battery Storage: Southwall BESS	-	30MW Capacity
Electricity Networks	Smart Meter Roll-Out	-	By December 2024, the 2023 Green Bond has funded about 0.45 million smart meters.
<b>Total</b>		<b>115</b>	-

<sup>15</sup> ESB has communicated to Sustainalytics that the project was energized in June 2025, with commercial operations commencing in October 2025 and that its impact will be reflected in the next reporting period.

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