



## Environmental policy

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August 2019

## MCI Environmental policy

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27. ágúst 2019

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Málalykill: 02.21

**MCI's goal is to be leading in environmental matters and show social responsibility in all operations and decision making.**

**MCI will encourage municipalities to contribute to sustainable development by implementing projects that mitigate climate changes and have a positive environmental effect. MCI's board and employees will concurrently commit to conducting their work that strives towards the same goal.**

This policy highlights the emphasis to conduct MCI's operations in a way that reduces negative impact on the environment and has positive effects on society and economy. MCI has for decades lowered the cost of capital for Icelandic municipalities. The financing of school buildings, social housing, nursing homes, waste management and hydro power plants are examples of projects where MCI's strengths have contributed to social benefits for the general public in Iceland.

MCI's environmental efforts will first and foremost be carried out via Icelandic municipalities where certain eligible projects will be financed with Sustainable Finance Document (green bonds). Dialogue with municipalities will be initiated and environmental benefits of the already financed projects will be reported on each year. Positive internal actions will be taken in certain areas, such as waste management, traveling of directors and employees and more.

**By issuing green loans, MCI will encourage municipalities to more selectively choose environmental-improving projects that have a positive impact on our planet.**

- MCI commits to increase renewable energy, increase energy efficiency and reduce CO2 emissions of production and distribution of energy.
- To encourage municipalities to build buildings in accordance with international or national environmental certifications for buildings such as BREEAM or Nordic Swan label.
- To encourage municipalities to improve water infrastructure and cleaning facilities of wastewater management.
- To encourage extensive improvement of waste management towards sustainable circular solutions, particularly waste prevention, reuse and recycle but also recovery and reduced impact of waste collection and disposal.
- MCI will associate all eligible projects to the relevant Sustainable Development Goals of the United Nations and will thus contribute to the Icelandic government's efforts of achieving the goals before 2030.

**MCI will encourage employees and board members to contribute to mitigation of climate change and protection of environment.**

- MCI will offset carbon emission of all fossil fuel transports (automobile and flight) of employees to work/meetings and board members to board meetings by making contributions to Icelandic Carbon Fund Kolvidur which plants millions of trees in Iceland each year.
- To mitigate climate change by using eco-friendly transportation and avoid long-distance travel if possible. Conduct online meetings with municipalities when feasible.

- To reduce purchases for MCI offices and select office supplies and materials with eco-labels such as the Nordic Swan.
- To minimize the use of paper and office material and maximize recycling.
  - Reduce and minimize printouts for internal work, for example annual reports, investor presentations and other presentation material. Share electronically as much as possible.
  - Recycle and reuse office material (e.g. binders, leaflets, folders etc.)
- To improve waste management in the MCI offices, favoring prevention, reuse and recycle.

*Approved in a Board meeting on 27. ágúst 2019.*

## Útgáfusaga

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Lagt fyrir stjórnarfund	Samþykkt / Kynnt
27.08.2019	Samþykkt

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