



Luxembourg, 14/12/2022

Environmental and Social Data Sheet

Overview

Project Name:	AT & S RDI AND RESEARCH CENTER IN AUSTRIA
Project Number:	2022-0514
Country:	Austria
Project Description:	This project concerns the promoter's RDI expenses in Austria in the fields of IC Substrates and Packaging technology including prototyping, pilot line and small scale production line, as well as Capex for the construction of its new research competence center in Leoben (AUT).
EIA required:	no
Project included in Carbon Footprint Exercise:	no

Environmental and Social Assessment

Environmental Assessment

This project concerns the promoter's RDI expenses in Austria in the fields of Integrated Circuit (IC) Substrates and Packaging technology including prototyping, pilot line and small-scale production line, as well as the construction of its new research competence centre in Leoben, Austria.

The project falls under the scope of Annex II of the EU Directive 2014/52/EU amending the EIA Directive 2011/92/EU on Environmental Impact Assessment (EIA). The promoter notes that the total capacity of both the existing and new plant production lines will be lower than the threshold defined in the national legislation (UVP-G, Annex I, category Z67 regarding installations for surface treatment of metals and plastic materials using an electrolytic or chemical process). Therefore, the project is not subject to a mandatory EIA or a simplified procedure under the national legislation.

The new facility is placed on a plot designated by the local municipality as industrial land and is adjacent to the company's existing plant in Leoben. The plot shares its southern boundary with the Natura 2000 site of Mur river (Special Conservation Area AT2236000). The promoter states that the protected area will not be affected by the construction and operation of the new facility. Moreover, the local authorities have issued two building permits for the site works, foundations and building works of the new facility.

The plant falls under the scope of the Industrial Emissions Directive 2010/75/EU (IED) and the industrial activity is listed in Annex 3 of the Act on Commercial and Industrial Activities (Gewerbeordnung 1994, GewO 1994). Therefore, it is required to operate in accordance with the permit granted by the Competent Authority. During operation, the storm water and appropriately treated process waste water will be discharged into the Mur river. Treated process water with higher biological load and sanitary waste water will be fed into the public sewer system. Potable water will be supplied by the municipal network; a closed circuit system will be used for the process water thus minimising utilisation of water resources. The promoter has initiated the procedure to obtain from the Competent Authority the operation



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permit, which will authorize amongst others the emissions levels for the discharge into the river Mur and the public sewage system. The necessary emission control systems (exhaust air, waste water, surface water) and requirements to safely handle dangerous substances meeting the environmental conditions are included in the scope of the project. It is expected that the thresholds listed in Annex 5 of the Act on Commercial and Industrial Activities (GewO 1994) regarding the presence of dangerous substances will not be exceeded. The promoter shall provide to the Bank the operation permit of the new facility which will contain conditions set in accordance with the principles and provisions of the IED and the national legislation.

The new building is designed and built to meet or exceed the Austrian energy saving and thermal protection standards (OIB-Richtlinie 6), through the use of the best available technologies for its ventilation and air-conditioning systems (heat recovery systems) as well as the selection of the building envelope materials. As a result, the fossil fuel consumption for the heating will be minimised. The entirety of the electricity purchased will be produced by renewable sources certified with Renewable Energy Guarantees of Origin. A photovoltaic panel array with an estimated output of 400 kWp will be installed on the rooftop further reducing the off-site electricity consumption.

Water saving measures including treatment, processing and recycling, as well as material efficiency strategies, including recovery and reuse of copper and other precious metals will be implemented in this facility.

The project has been assessed for Paris Alignment and is considered to be aligned with both the low carbon and resilience goals against the policies and criteria set out in the EIB Climate Bank Roadmap. The facility will comply with national energy standards defined by the Austrian energy saving and thermal protection standards, transposing the Energy Performance of Buildings Directive (EPBD) and includes a number of measures that increase its climate resilience.

The research and development activities that will take place in the facility are expected to contribute to climate action and environmental sustainability through the optimised use of resources, the efficient production and application of circularity strategies in the production line. The innovative products will aim at increasing the system packaging density and efficiency, optimising power supply and reducing energy consumption.

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty, AT&S, is a corporate entity, therefore is in scope and screened out of the PATH framework, because it is not operating in a high emitting sector and it is not considered a highly vulnerable entity.

Public Consultation and Stakeholder Engagement

Regarding the operation permit and in conformity with the national legislation, public consultation procedures have taken place in July 2022 with participation of subject matter experts. Comments from the affected parties, expert opinions and the required actions for the promoter were recorded.

Other Environmental and Social Aspects

The promoter has achieved certification under ISO 9001, ISO 14001 and additional certifications for specific types of products such as automotive, aviation and medical sector. ISO 9001 demonstrates the ability of the company to consistently provide products and services that meet customer and regulatory requirements, whereas ISO 14001 ensures that the company has an environmental management system with a developed structure and proper



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procedures in place to measure, reduce and manage its environmental impacts. Moreover, the promoter has achieved certification under ISO 45001 and ISO 50001. The former standard relates to the management of occupation health and safety, whereas the latter standard relates to the consistent application of energy management at the process and plant level aiming at increasing their energy efficiency.

The main sustainability goals illustrated in the company's annual report 2021-2022 are the 80% cover of the Group's energy demand through renewable energies (including large hydropower plants) by 2025, the replacement of all fossil fuel within its own production sites by 2030 and the realisation of life cycle assessment at product group level to calculate their environmental impact.

The company is committed to important international frameworks such as the Sustainable Development Goals (SDGs) of the United Nations, the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles for Business and Human Rights, the International Labor Organization (ILO), the Responsible Business Alliance (RBA) and the Responsible Minerals Initiative (RMI). Moreover, the promoter complies with the applicable national and EU legislation related to occupational and public health, safety and security.

Conclusions and Recommendations

An Environmental Impact Assessment (EIA) is not required under EIA Directive 2014/52/EU amending Directive 2011/92/EU as transposed in the national law. The construction of the new infrastructure is not expected to generate significant environmental effects and the promoter possesses the appropriate experience and governance systems to deliver the project in accordance with the relevant law requirements. The promoter shall be required to send to the EIB the operation permit that will be issued by the competent authorities containing the preventive measures, emission limits, monitoring measures and obligations of the operator to provide annual information on the monitoring results.

Regarding the office-building component, the promoter shall provide, upon construction completion, the Energy Performance Certificate (EPC) as well as the air-tightness and thermal integrity tests.

The project R&D activities are expected to bring to the market low carbon technology solutions that have a better performance in terms of energy efficiency and resources use compared to available technologies. The outcome of the R&D activities is in support of the High Performance Computing technology growth, which is remarkably relevant for various sectors, including ICT infrastructure, automotive, aviation and medical industry and are expected to contribute to the reduction of energy consumption and GHG emissions.

In light of the above, the project is acceptable for EIB financing in E&S terms.