Environmental and Social Data Sheet

Overview

Project Name: ERICSSON LTE ADVANCED (RDI)

Project Number: 20110582

Country: Sweden, Finland

Project Description: The project relates to the development of the next evolution

of the mobile broadband technology LTE called LTE Advanced. Providing higher data rates than LTE, additional features of LTE Advanced are its versatility in the use of different frequency bands. The Project, to be implemented at the promoter's locations in Sweden and in Finland from 2012 to the end of 2014, includes the development of Hardware and Software for the Radio Access Network (RAN), the Enhanced Packet Core (EPC) and of the next generation of

transmission technologies.

EIA required: NO

Project included in Carbon Footprint Exercise¹: NO

(Details are provided in section: "Carbon Footprint")

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The project activities do not fall under Annexes I and II of the EU Directive 2011/92/EC, and are therefore not subject to mandatory Environmental Impact Assessment. As the proposed investments will take place inside buildings already being used for similar activities, and concern mainly software research and development activities, no particular negative impact on the environment is expected.

Overall, the project's environmental acceptability is classified by the Bank under the category A, Acceptable.

Environmental and Social Assessment

Environmental Assessment

The promoter follows an all-embracing environmental policy that takes into account the final products together with the RDI and production systems. The promoter performs an overall life cycle assessment (LCA) of the product, from first design to disposal, trying to minimize environmental aspects such as power consumption, EMF, visual impact of the equipment, etc.

The promoters Carbon Footprint that results from the Life Cycle Assessment includes both the promoters own activities as well as the supply chain and products and operator operations. In 2008, the promoter defined its 5 years target to reduce its carbon footprint by 40% and is well on track for meeting it.

In addition, the use of mobile broadband technologies will allow the development of applications with a positive environmental impact (m-Health, Digital delivery, etc...).

Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100 000 tons CO2e/year absolute (gross) or 20 000 tons CO2e/year relative (net) – both increases and savings.

EIB Carbon Footprint Exercise

Project is not included - the EIB draft Carbon Footprint Methodologies only include emissions from Investment Loans, and large allocations under Framework Loans, above the methodology thresholds.

Social Assessment, where applicable

The issues related to the mining of certain minerals in the region of conflict within the Eastern Democratic Republic of Congo (DRC) and neighbouring countries has been a major focus of the promoters supply chain assessment in the last years. The issue relates to the mining and trade of minerals that are refined into metals to produce tantalum, tin, tungsten and gold, which are being used in the manufacturing process of semiconductor devices used in a large extent in mobile telecommunication systems. In the above mentioned region, the mining and trading of these materials is causing serious human right violations and environmental damages.

The promoter is a member of the Electronics Industry Citizenship Coalition (EICC) and the sector-wide Extractive Working Group of the Global e-Sustainability Initiative (GeSI) and implements all the actions and procedures developed by this joint working group aimed at sourcing conflict-free minerals. These actions include the development of conflict-free Smelter and due diligence programs to verify the supply chain of the promoter, as well as to support in-region sourcing schemes to enable future legitimate trade from the region.

Other Environmental and Social Aspects

The promoter has indicated that the sites included in the project are ISO 14001 certified and that all of the products sold in Europe are compliant with the ROHS² Directive.

Regarding EMF, the promoter's equipment is conforming with the EU and international recommendations on EMF (EU Recommendation 1995/519/EU and ICNIRP (International Commission on Non-Ionizing Radiation Protection) Recommendations). By following these recommendations, the levels of EMF are, based on current scientific findings, not considered a risk although it is under continuous study by international organisations. Recent development in 2011 the WHO/International Agency for Research on Cancer (IARC) has classified EMF radiation as possibly carcinogenic to humans.

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Directive 2002/95/EC on Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment.