

Luxembourg, 12/12/2019

Public

Environmental and Social Data Sheet

Overview

Project Name: FCA ELECTRIC VEHICLES MANUFACTURING ITALY
Project Number: 2019-0269
Country: ITALY
Project Description: The project concerns the promoter's specific investments to setup production lines for the manufacturing of plug-in hybrid electric vehicles (PHEVs), at the promoter's production plant in Melfi (Italy), and for the manufacturing of battery electric vehicles (BEV), at the promoter's production plant in Mirafiori (Italy). The investments will be carried out in the period 2019-2021.

EIA required: no

Project included in Carbon Footprint Exercise¹: yes

(details for projects included are provided in section: "EIB Carbon Footprint Exercise")

Environmental and Social Assessment

Environmental Assessment

The project concerns the manufacturing motor vehicles and as such falls under Annex II of the Directive 2014/52/EU amending the EIA Directive 2011/92/EU. However, the concerned manufacturing facilities operate under existing *Integrated Environmental Authorizations*, and as the new operations do not increase any of the controlled values beyond the authorized thresholds, the changes are not considered as being substantial (overall capacity levels do not materially change). Therefore, the promoter's obligation towards the competent authorities was to inform them of the non-substantial changes, and carry out the changes 60 days after their receipt of the communication. Regarding the Melfi plant, the communication was presented on 29/03/2019 to the respective Authority (Basilicata Region); regarding the Mirafiori plant the aforementioned communication was presented on the 28.01.2019 to the respective Authority (Metropolitan City of Turin). Therefore, for both plants the process is completed.

The project can be expected to contribute to the reduction of CO₂ emission resulting from the electrification of automotive fleets. It is consistent with the EIB Transport Lending Policy because it concerns deployment of innovative technologies contributing to the development of a more efficient and sustainable European transport system, and is fully in-line with the Bank's Climate Mitigation objectives.

EIB Carbon Footprint Exercise

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO₂e/year absolute (gross) or 20,000 tonnes CO₂e/year relative (net) – both increases and savings.

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- The project's **Absolute** annual emissions in a standard year of operation are estimated at about 211.7 kT CO₂e/year. The **Relevant** annual emissions are expected to be in the order of 39.6 kT CO₂e/year. The absolute values concern the Mirafiori line specific to the production of the BEV vehicle, while for the Melfi, they concern the entire plant as the project concerns all production lines.
- The baseline considered the production of the PHEV vehicles in a facility with energy efficiency characteristics similar to the Melfi plant prior to the project process improvements. The one considered for the BEV production, assumes the utilisation of a different plant by the promoter, and the baseline emissions have been calculated based on the promoter's average energy consumption per vehicle in 2018.
- For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost.

Other Environmental and Social Aspects

Both plants are certified according to the ISO 14001 (Environmental Management), ISO 50001 (Energy management system) and OHSAS 18001 (Occupational Health and Safety management systems).

Conclusions and Recommendations

- The manufacturing of motor-vehicles falls under Annex II of the Directive 2014/52/EU amending the EIA Directive 2011/92/EU. The concerned manufacturing facilities operate under existing Integrated Environmental Authorizations, and as per the rules concerning modifications with non-substantial changes, the promoter was not required to submit a new EIA. The required process of informing the competent authorities has been followed and is now completed.
- The project is not expected to have any significant additional impact neither on the natural and human environment nor on public health. In addition, the outcomes of the project are expected to have a strong contribution to the decarbonisation of the automotive sector.
- The project fully contributes to the Bank's Climate Action Mitigation objectives.

In light of the above, the overall environmental and social rating of the project is therefore considered to be acceptable for the Bank's financing.

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