

Environmental and Social Data Sheet

Overview

Project Name:	CHR HANSEN BIOSCIENCE INNOVATION
Project Number:	2019-0321
Country:	DENMARK / FRANCE / GERMANY
Project Description:	Financing of Christian Hansen A/S's R&D European operational expenditures for the development of bioscience based ingredient solutions for the food, nutritional, pharmaceutical and agricultural industries.
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

The project concerns the promoter's R&D activities covering two key businesses (a) Food Cultures and Enzymes and (b) Health and Nutrition. It will be managed and carried out by the promoter's existing R&D staff in Denmark, mainly located at the headquarters in Hørsholm and to a lesser extent in other locations in France and Germany. Such R&D activities do not fall under the EU's Environmental Impact Assessment (EIA) Directive 2014/52/EU amending Directive 2011/92/EU.

All production sites of the promoter are certified ISO 22000 and FSSC 22000, meaning that robust quality systems are in place focusing on food safety. The project's R&D activities are a central part of the promoter's operations that will be embedded in the existing organisational and management structure, and performed in existing facilities already authorised. The operating procedures in place are in line with best industry standards.

Other Environmental and Social Aspects

The promoter is well positioned to address global societal challenges through its strong microbial platform and its capabilities in developing natural solutions for the food, beverage, dietary supplements and agricultural industries. In FY2017 and FY2018, respectively 81% and 82% of the promoter's revenues directly contributed to the UN Sustainable Development Goals for Sustainable Development. More specifically, the promoter's products contribute to:

- A more sustainable agricultural practice through natural plant probiotics and silage inoculants ("Zero Hunger" goal 2);
- Global health through its probiotics and healthy food ingredients ("Good Health and Well-being" goal 3);
- Providing bio-protective cultures that can delay spoilage in fermented dairy products like yogurt ("Responsible consumption and production" goal 12).

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.

Luxembourg, 2 December 2019

The promoter has in place an efficient CSR management system covering business integrity, quality & product Safety, people knowledge and organization, sourcing as well as finance and communication.

Conclusions and Recommendations

The Research and Development activities are not specifically mentioned in the EIA directive and are therefore not subject to mandatory Environmental Impact Assessment. Furthermore, the project concerns investments in research and development that will be carried out in existing facilities mainly at the promoter's central R&D sites in Denmark, France and Germany, without changing their already authorised scope. An Environmental Impact Assessment (EIA) is therefore not required.

The R&D activities of the project are clearly set up to reinforce the contribution of the promoter's products portfolio to the UN Sustainable Development Goals in the future. The project will particularly focus on the areas where the promoter can have the highest impact (i) to reduce food waste; (ii) to create healthier food products and cultures that improve human health and (iii) to contribute to more sustainable agriculture. The products that will result of the project activities will offer a number of benefits to society. Therefore, the project is acceptable for financing by the Bank.

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