



Luxembourg, 15 June 2022

Public

Environmental and Social Data Sheet¹

Overview

Project Name:	FAURECIA - HYDROGEN MOBILITY
Project Number:	2022-0028
Country:	France, Germany
Project Description:	The project concerns the promoter's investments in: (i) R&D and manufacturing deployment of hydrogen technology for mobility applications, more specifically in the fields of hydrogen storage systems and fuel cell stack systems; (ii) R&D in the fields of vehicle advanced driver assistance systems and driver monitoring systems, focusing on the improvement of vehicle, driver and pedestrian safety.
EIA required:	No
Invest EU sustainability proofing required	No
Project included in Carbon Footprint Exercise ² :	no

Environmental and Social Assessment

Environmental Assessment

The project has multiple components:

- R&D activities on vehicle advanced driver assistance systems and driver monitoring systems: these R&D activities contribute to the improved safety of drivers, vehicles' passengers and pedestrians, and hence to the overall sustainability of the automotive sector. The activities will be carried out in existing facilities without changing their already authorised scope.

The component does not fall under scope of the EIA Directive 2011/92/EU amended by 2014/52/EU.

- Development and manufacturing of fuel cell stacks and hydrogen storage tanks for automotive applications: these activities support a more sustainable, electrified

¹ The information contained in the document reflects the requirement related to the environmental, social and climate information to be provided to Investment Committee as required by the Invest EU Regulation and it represents the equivalent of the information required in the template of the InvestEU sustainability proofing summary

² 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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transport sector addressing the needs of upcoming zero emission passenger cars as well as commercial vehicles. The R&D and manufacturing activities will be carried out in existing established industrial areas.

- Hydrogen Storage tanks R&D activities - Bavans: while R&D activities are not mentioned under the EIA Directive, the project includes activities that require the storage of hydrogen. The site is operating under existing national operational environmental permit. Given the fact that the new operation includes storage and use of hydrogen, in accordance with the national legislation, the promoter performed a study and in January 2021 submitted a notification (Dossier de Porté à Connaissance au titre des Installations Classées pour la protection de l'Environnement (IPCE)) to the regional competent authority. The classification of all the elements of the site remain unchanged as under the existing authorisations, with the exception of the storage of hydrogen, which has been added to the authorisation.
- Hydrogen Storage tanks manufacturing activities: manufacturing will take place in two sites, namely Diors and Allenjoie. The site of Diors will be used for small-scale manufacturing with maximum up to 10,000 units per year. The manufacturing activity is already authorised for manufacturing type IV tanks for high-pressure gas storage. The hydrogen storage levels are well below the applicable thresholds (under the Seveso Directive and the national legislation notably the IPCE) and will not substantially change the impact of the activities on the environment.

The site of Allenjoie will be used for mass production, with capacity reaching at a first phase 50,000 units per year, and for this purpose the current facility will be modified. The company will be launching the relevant environmental authorisation procedures under the IPCE legislation.

- Hydrogen Fuel Cell activities- Venissieux: the project includes activities that require the storage of hydrogen and treatment of metal surfaces. The competent authority has screened out the project under the EU EIA Directive. The building permit was delivered on September 10, 2021. In accordance with the relevant procedures related to the storage of chemicals under the national legislation, the promoter has carried out the required studies and submitted the relevant notification to register the activities (Demande d'enregistrement pour une ou plusieurs Installations Classées pour la protection de l'Environnement - ICPE) to the regional competent authority. The project concerns one activity that needs to be registered (coating). The storage of hydrogen activity is below the national thresholds that require an authorisation, and falls under the category of "Declare and Periodic Control". The operational permit was granted on 23/12/2021.
- In the facilities located in Germany, the company carries out R&D activities that do not fall under scope of the EIA Directive 2011/92/EU amended by 2014/52/EU.

Based on the above review and following a review on the likely significant environmental risks and impacts and the mitigation measures and management systems in place, the project is deemed to have low residual environmental risks and impacts.

Climate Assessment

- **Climate change mitigation**
 - The hydrogen related part of the project (89% of project cost) is in-line with the Bank's Climate Change Mitigation objectives; at the same time, Fuel Cell Electric vehicles do not produce engine related pollutant emissions (there are some tyre



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and brake related particle emissions that are for the moment not accounted for), so they contribute to the significant reduction of pollution in the automotive sector.

- At full capacity, the expected electricity consumption for the manufacturing of the products that are included in the project, at the different sites is estimated at around 80 GWh per year, and the CO₂ emissions at about 13.5 tCO₂ eq per year:

Site	Maximum Capacity Units / years	Energy Consumption GWh	CO ₂ emissions tCO ₂ eq
Allenjoie	50,000 H2 Tanks	52	11,600
Diors	10,000 H2 Tanks	2	130
Bavans	4,000 H2 Tanks & Testing	12	1,600
Venissieux	50,000 Fuel Cell stacks	30	100
Total Project		94	13,430

The CO₂ emissions for the of the Allenjoie, Diors and Bavans sites have been provided, while for the Venissieux plant the energy consumption was provided.

Many steps of the fuel cell stack manufacturing in Venissieux are manual and the energy consumption is hence rather low. In addition, the ambition and design of the plant is to be CO₂ neutral in terms of Scope 1 and 2 emissions by 2025. The total annual electrical consumption of the site is estimated at about 30 GWh, but most will be covered by the waste heat and energy recovery systems, the PV electricity production on site and other actions, leaving some 1.2 GWh to be sourced.

Based on the EIB applicable grid emission factors for France (70 gCO₂/KWH for MV Grids), the absolute CO₂ emissions of the site are estimated at around 100 tCO₂eq per year, and therefore the total project CO₂ emissions are estimated at around 13.4 ktonnes and are below the reporting thresholds.

- **Climate change adaptation:** the project's activities will take place in existing industrial sites, and given the location, and the sector of activity, the initial climate risk is assessed as Low.
- **Paris Alignment of the project:** The project to be financed by the Bank concerns the promoter's investment in the field of (a) zero emission transport technologies, and (b) safety and automation transport technologies, and as such is aligned with the Bank's Climate Bank Roadmap.

Social Assessment

The promoter is expected to comply with all applicable labour and social legislation. The company's focus on labour standards and health and safety issues is strong and some of its elements are described under the section "Other Environmental and Social Aspects" below. With the appropriate management systems in place the social risks and impacts are considered to be low.

No social risks or issues are expected during the project's implementation.

Public Consultation and Stakeholder Engagement

The authorisation process of the Venissieux facility required a public consultation process. No complaints were registered, and the authorisation is now final after a four month appeal period.



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Other Environmental and Social Aspects

The promoter has a strong commitment to sustainability, and has identified clear objectives to become carbon neutral (emissions scope 1 and 2) in its operation by 2025. The company's 1.5 degrees near-term targets have been independently validated by the Science Based Targets initiative (SBTi), while the company has also committed to adopt a Net-Zero Standard (organizations must produce close to zero emissions no later than 2050 and need to set both near-term and long-term science-based targets). The company is incorporating product design in its decarbonisation targets, aiming to achieve CO₂ Neutrality towards 2030 for scope 1, 2 and 3 controlled emissions (excluding use of sold products).

The Faurecia Excellence System (FES) enables the company to verify the proper application and measure the effectiveness of the risk prevention methods. FES complies with the requirements of the quality, environment and safety standards of the automotive industry (ISO/TS 16949, IATF 16949, ISO 14001, OHSAS 18001). In 2020, 79% of all production sites with at least 2 years of activity were ISO 14001 certified.

Since 2013, Faurecia has required its suppliers to comply with its sustainable purchasing policy, which targets the fundamentals of the ISO 26000 international standard for procurement including protecting the environment, respecting human and labour rights, and ethical business conduct.

Finally in terms of human resources, employees and the wider community, the three key areas of focus are (i) a learning organization; (ii) diversity & inclusion with, among others, established actions and targets to close the gender gap across all levels and sections of the company; and (iii) local solidarity actions.

Faurecia supports the United Nations Sustainable Development Goals (SDGs) programme aiming to achieve a better and more sustainable future for all. In 2019, Faurecia identified 11 SDGs to which it is contributing through its sustainable development actions and its operations.

Conclusions and Recommendations

- 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 improvement of its safety characteristics, and to its overall sustainability.
- The project is carried out in compliance with applicable national and EU environmental and social Legislation.
- Sustainability proofing conclusion: Based on the environmental, climate and social information and studies provided by the project and based on the review of the likely significant environmental, climate and social risks and impacts and the mitigation measures and management systems in place, the project is deemed to have low residual environmental, climate and social risks and impacts. No further proofing is therefore required.
- Contractual conditions:

Regarding the Allenjoie facility, the promoter will be required to submit to the Bank, the EIA report and/or the EIA decision (including the information related to public consultation) if this



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has been required, or the decision from the competent authority that the project is not subject to an environmental assessment (screened out). The outcome of the environmental authorisation process of the facility, satisfactory to the EIB.

With these conditions in place, the project is acceptable for EIB financing in environment, climate and social terms.