

Luxembourg, 6 November 2024

Environmental and Social Data Sheet

Overview

Project Name:	NXP EUROPEAN SEMICONDUCTOR RDI
Project Number:	2024-0024
Country:	Netherlands, France, Germany, Austria and Romania
Project Description:	The project concerns the support of the promoter's RDI investments in a broad portfolio of semiconductor products to stay at the forefront of technological advancements in the area of Automotive, IoT, Mobile, and Communication infrastructure. The investment will contribute to build state-of-the-art European chip ecosystem and will involve investment in five EU countries.

EIA required: No

Project included in Carbon Footprint Exercise¹: No

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

Environmental and Social Assessment

Environmental Assessment

RDI activities for semiconductors are not specifically covered by Annexes I and II of the EIA Directive 2011/92/EU as amended by EU Directive 2014/52/EU and therefore not subject to an Environmental Impact Assessment procedure.

The proposed RDI activities will take place mainly inside buildings at existing RDI or manufacturing facilities already being used for similar activities and are not expected to have a significant environmental impact on the surroundings.

Semiconductors are the basic components for the digitalisation of all sectors of the economy. They are therefore essential to enable the deployment of low carbon and decarbonisation scenarios leading to significant sustainability benefits across the whole economy and fulfil the Paris Alignment criteria as set out in the EIB's CBR (Climate Bank Roadmap).

EIB Paris Alignment for Counterparties (PATH) Framework

As a corporate, the counterpart is in scope, but it is screened out of the PATH Framework because it is neither a high emitting nor a highly vulnerable entity.

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, 6 November 2024

Other Environmental and Social Aspects

The promoter is rated in several sustainability ratings, such as: AAA by MSCI (Morgan Stanley Capital International), B- Prime² by the ISS (Institutional Shareholder Services) ESG rating, as well as working with CDP (Carbon Disclosure Project). All manufacturing sites are certified under ISO 14001, the international standard for environmental management systems and ISO 45001, the standard for health and safety management systems. The promoter's headquarters in Eindhoven (the largest RDI site within the group) is also ISO 14001 certified.

As part of its operational activities, the promoter has set up environmental, social and governance (ESG) related targets. These include measurable key performance indicators (KPIs) related to reducing energy consumption, carbon emissions and water consumption. The promoter has announced its intention for its operations to be carbon neutral by 2035.

In terms of management of hazardous materials in its products, the promoter manages its compliance with EU and global hazardous substance regulations such as the EU RoHS (Restriction of Hazardous Substances in Electrical and Electronic Equipment), REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals), ELV (End of Life Vehicle Directive), California Prop 65 (Safe Drinking Water and Toxic Enforcement Act).

Regarding the use of conflict free materials, the promoter has in place a responsibly sourced mineral program designed in accordance with the Organization for Economic Cooperation and Development (OECD) respective due diligence guidance. The promoter is also member of the "European Partnership for Conflict Free Mineral Sourcing", and it is mandatory for all its suppliers adhere to its Supplier Code of Conduct, which compels them to ensure responsible sourcing of minerals in their supply chains.

Conclusions and Recommendations

RDI activities for semiconductors are not specifically covered by Annexes I and II of the EIA Directive 2011/92/EU as amended by the EU Directive 2014/52/EU. The promoter has well managed certifications and ESG related programmes in place.

Overall, the project is eligible for EIB financing in environmental and social terms.

² Prime status is awarded to companies with an ESG performance above the sector-specific Prime threshold, which means that they fulfil ambitious absolute performance requirements. [ISS ESG Ratings & Rankings | ESG Corporate Rating \(issgovernance.com\)](https://www.issgovernance.com)