

Environmental and Social Data Sheet

Overview

Project Name: SOITEC RDI PROGRAMME

Project Number: 2024-0292 Country: France

Project Description: The project relates to the RDI activities and RDI related capex

for the development of the next generation of engineered substrates for the semiconductor industry. The project is composed of three main components. The first two components concern investments in R&D activities as well as the deployment of a first industrial deployment (FID) line of innovative semiconductor substrates and account for around 94% of total project costs. The third component relates to the

construction of a new water treatment plant.

EIA required: No

Project included in Carbon Footprint Exercise¹: No

Environmental and Social Assessment

Environmental Assessment

The project concerns research, development and innovation (RDI) activities as well as capital expenditure (Capex) in the existing manufacturing plant, among which the modernisation of the water treatment plant.

Semiconductor manufacturing facilities and RDI for semiconductors are not specifically covered by Annexes I & II of EU EIA Directive 2011/92/EU as amended by Directive 2014/52/EU.

The Capex part of the project includes Capex for first industrial deployment (FID) of new manufacturing lines, mainly for the new Piezoelectric-on-Insulator (POI) wafers as well as for advanced Silicon Carbide (SiC) substrates. Both the RDI as well as manufacturing activities will be performed within existing buildings already used for similar activities.

Water component

The water treatment plant serves both to produce different types of process waters needed in the manufacturing process as well as for the treatment of wastewater to comply with the applicable discharge permits.

Strategic Environmental Assessment

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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: Only 20 000 tonnes CO2e/year absolute (gross) or 20 000 tonnes CO2e/year relative (net) – both increases and savings.



Only relevant for Water component

In France, for each river basin, a SDAGE (*Schéma Directeur de l'Aménagement et de la gestion de l'eau*) is adopted and updated every six years. These SDAGEs include an analysis in accordance with Order no. 2004-489 of 3 June 2004 transposing Directive 2001/42/EC of the European Parliament and of the Council of 27 June 2001 on the assessment of the effects of certain plans and programmes on the environment. Consequently, such an analysis is not required for this project. The SDAGE 2022-20272 of the Rhône-Méditerranée-Corse basin was adopted on 21 March 2022².

Environmental Assessment

All the activities are carried out on the Promoter's existing industrial site in Bernin and Grenoble. Hence, no nature conservation sites are concerned by the project.

Water component

The water treatment plant's environmental impact assessment is carried out in line with the French Water Law (Loi sur l'eau³), which includes an assessment of the impact on water and aquatic environments, as well as on Natura 2000 areas, where applicable.

The new Water Treatment plant targets an increased production of process waters without increasing the annual water withdrawal of the plant (limited to 1.4 million m³) and limiting the quantity or properties of effluents discharged. This shall be achieved thanks to more efficient treatment and more wastewater reuse.

The competent authority is the "Direction départementale de la protection des populations et Direction régionale de l'environnement, de l'aménagement et du logement, (DREAL), Service installations classées de la DDPP et Unité départementale de la DREAL". The current plant's operational permit was granted by the competent authority on 17 November 2020⁴, complemented by an additional authorisation dated 9 July 2021⁵. The competent authority gave the approval to the expansion on 21 July 2023⁶. An environmental impact assessment further to the EIA Directive 2011/92/EU as amended by the Directive 2014/52/EU was not required.

Environmental Impacts

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 negative environmental impact on the surroundings.

As far as the new water treatment facility is concerned, it is anticipated that the negative environmental impacts will likely be mainly associated with the period of construction and will be mainly localised, temporary and reversible such as (i) minor disturbance (dust, noise, etc.) due to construction works and (ii) temporary increase of traffic around the construction site. These negative impacts will be mitigated with appropriate measures.

The main long-term positive environmental impact of the water component is a more efficient and sustainable use of water resources due to increased reuse in the plant.

²Schéma directeur d'aménagement et de gestion des eaux (SDAGE) | L'eau dans le bassin Rhône-Méditerranée

³ Loi sur l'eau et les milieux aquatiques (LEMA) n°2006-1772, du 30 décembre 2006

⁴ Arrêté préfectoral n° DDPP-DREAL UD38-2020-11-07

⁵ Arrêté préfectoral complémentaire n° DDPP-DREAL UD38-2021-07-06

⁶Arrêté préfectoral complémentaire n° DDPP-DREAL UD38-2023-07-14 portant mise à jour des activités de l'installation exploitée par la société SOITEC sur la commune de Bernin



Climate Assessment

Climate change adaptation:

The water used in the manufacturing process is abstracted from ground water resources and supplied by the regional public water utility (Eaux de Grenoble Alpes). The modernisation of the water treatment plant will allow for increased reuse of treated effluent which preserves the water resources.

The promoter's industrial estate is on the border of the River Isère flood plain covered under the applicable flood management plan (*Plan de prévention des risques d'inondation de l'Isère dans la vallée du Grésivaudan à l'amont de Grenoble*)⁷. The initial plan is dated 30 July 2007 and a review is currently ongoing, including a public consultation (closed 11 March 2025). The Promoter's site is partly in the area classified as weak risk (*Zone de contraintes faibles*). The Promoter confirmed that all structures located in this area will be elevated to protect them from flooding.

Taking into consideration all these investments and the promoter's approach towards climate change, the project physical risk of failing to adapt to climate change is considered low by the Bank.

EIB Paris Alignment for Counterparties (PATH) Framework

The counterparty is in scope and screened out for the PATH framework, as its activities are not included in the list of EIB sub-sectors and segments in high emitting sectors and for high vulnerability.

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).

Social Assessment

The promoter ensures compliance with European and international regulations regarding conflict minerals. Suppliers are required to provide detailed information about the origin of minerals, including the smelters and refineries used, to confirm there are no breaches of conflict mineral regulations.

Other Environmental and Social Aspects

SOITEC holds the following certifications:

- ISO 14001 (Environmental Management System)
- ISO 45001 (Occupational Health and Safety Management System)
- ISO 50001 (Energy Management System)

Conclusions and Recommendations

^{7 05 -} PPRI ISERE AMONT - Plan de Prévention du Risque Inondation (PPRI) - Plans de Prévention des Risques naturels et inondations (PPRN - PPRI) - Risques naturels - Collectivités - Risques majeurs - Actions de l'État - Les services de l'État en Isère



Semiconductor manufacturing facilities and RDI for semiconductors are not specifically covered by Annexes I & II of EU EIA Directive 2011/92/EU as amended by Directive 2014/52/EU.

The promoter will be requested to continue to undertake its supply-chain diligence to ensure the avoidance of forced labour in the silicon/polysilicon supply chain.

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