Luxembourg, 4 May 2015

Environmental and Social Data Sheet

Overview

Project Name:	WILLIAM DEMANT ACOUSTIC TECHNOLOGY RDI
Project Number:	2013-0604
Country:	Denmark, France, Poland
Project Description:	Financing of William Demant A/S's RDI into hearing equipment.
EIA required:	No
Project included in Carbon Footprint Exercise[1]:	No

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

Summary of Environmental and Social Assessment, including key issues and overall conclusion and recommendation

The project activities are not specifically covered by Annexes I & II of EU Directive 2011/92/EU and therefore not subject to mandatory Environmental Impact Assessment. Furthermore, the proposed investments will take place inside buildings at R&D facilities already being used for similar activities without changing their already authorised scope. An Environmental Impact Assessment (EIA) is therefore not required under Directive 2011/92/EU.

The research activities undertaken in the project are aimed to result in new and improved hearing aids and solutions with a positive impact on healthcare quality. Therefore, the project, if successful, is expected to bring positive social impact.

Considering the above, the project is acceptable for Bank financing.

Environmental and Social Assessment

Environmental Assessment

The promoter is in compliance with the regulations set by the US FDA and the EU MDD (Medical Devices Directive). The classification of the promoters products range from FDA and MDD Class I to Class III.

For the wireless component of the Hearing Aids, the promoter approves all of its equipment for the different geographies. FCC (USA), Gost (Russia), European certificate, etc. are some of the certification entities that approve the use of the wireless devices. Regarding the electromagnetic frequencies used by the wireless devices, the measurement of SAR (specific absorption rates) is performed by the promoter for all its marketed hearing devices. Electromagnetic radiation is however under continuous study by international organizations.

Social Assessment, where applicable

The project, if successful, is expected to lead to significant social benefits resulting from new and improved hearing aid technologies to alleviate the problems linked to a hearing impairment.

[1] Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO2e/year absolute (gross) or 20,000 tons CO2e/year relative (net) – both increases and savings.

As hearing aids get more integrated into the use of smart phones and music devices, the use of these devices will become less associated to a handicap.

Other Environmental and Social Aspects

The promoter has indicated that all of its products are in compliance with the WEEE[2] and ROHS[3] Directive.

As part of its Corporate Social Responsibility programme, the promoter has adhered to the UN Global Compact Initiative and has launched different initiatives aimed at reduction of its CO2 footprint and gender equality among others.

PJ/ECSO 10.07.12

[2] Waste Electrical and Electronic Equipment
[3] Restriction of Hazardous Substances