

## Environmental and Social Data Sheet

### Overview

Project Name:	OUTOTEC RDI	
Project Number:	20110497	
Country:	FINLAND, GERMANY	
Project Description:	The project concerns investments in research, development and innovation related to minerals and metallurgical processing technologies during the period of 2012-2015 in the promoter's existing R&D facilities in Finland and Germany.	
EIA required:	NO	
Project included in Carbon Footprint Exercise <sup>1</sup> :	NO	
(Details are provided in section: "Carbon Footprint")		

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

Activities related to the development and testing of new methods or products for the production of non-ferrous crude metals from ore, fall in Annex II of the Environmental Impact Assessment (EIA) process. However the project concerns investments in research and development carried out in existing facilities operating under all the required authorisations that are valid until 30.09.2013, so no additional environmental approvals are required until then. Overall, the project is considered acceptable with no negative residual impacts, and some products of the programme will contribute to more sustainable solutions in terms of emissions reduction, energy efficiency, waste minimisation, water savings and improved metals recovery.

### Environmental and Social Assessment

#### Environmental Assessment

The project concerns the promoter's R&D activities for the development of technologies, processes and applications primarily in the mineral and metallurgical areas and also in the areas of sulphuric acid production, water treatment, oil sand and oil shale processing and other related energy applications.

The main objectives of the activities include the development of more efficient mineral and metallurgical process solutions necessary to address the declining ore grades; improvement of the recovery and recycling of metals and resources; reduction of energy and water consumption in the processes; efficient capturing of useful by-products.

Out of the strategic projects that are included in the scope of the Bank's financing, only about 6% do not have a sustainability focus; about 66% target, among other, energy efficiency, 50% emissions reduction, 44% waste minimisation, 38% water savings and 53% improved metals recovery.

In 2010, about 72% of the company's order intake was classified as Environmental Goods and Services<sup>2</sup>; a figure that the company wants to increase to 80-90% in the long term.

<sup>1</sup> 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 CO<sub>2</sub>e/year absolute (gross) or 20,000 tons CO<sub>2</sub>e/year relative (net) – both increases and savings.

Finally, the company has ranked highly<sup>3</sup> by the Carbon Disclosure Project that ranks companies according to their approach to corporate governance with respect to climate change disclosure practices. It is estimated that about 4.2 million tons of CO<sub>2</sub> were avoided through the use of certain Outotec processes that represented an increase of about 5%.

The R&D facility in Pori is within the Copper industry park site and the environmental authorisations that were obtained in 2005 covered the entire site, although made specific references to the R&D facility. The environmental approval dated 30.9.2005 (Dnro LSY-2002-4-322, 36/2005/1) is valid until 30.9.2013, and all the participating companies must in due time make new application for environmental authorisations.

The outcome of the new application process will be provided to the Bank in the form of a contractual undertaking.

### **EIB Carbon Footprint Exercise**

Project is not included - the EIB draft Carbon Footprint Methodologies only include emissions from Investment Loans, and large allocations under Framework Loans, above the methodology thresholds.

### **Other Environmental and Social Aspects**

Both technical centres have received ISO 14001 Environmental Management Systems certifications.

In the past, the company's environmental positioning had been criticized by an independent consultant, mainly due to the lack of relevant reporting on its environmental performance. This however was before its first annual sustainability report that was published in 2011 for the year 2010.

It should also be noted that being an engineering company, its environmental impact is rather limited and definitely quite less substantial than its products, which the company has been developing for some time with a strong sustainability focus.

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<sup>2</sup> According to the OECD definition are goods and services to measure, prevent, limit, minimise or correct damage to water, air, soil as well as problems related to waste, noise and eco-systems. This includes cleaner technologies, products and services that reduce environmental risk and minimize pollution and resource use.

<sup>3</sup> Outotec was ranked third Nordic company.