

Environmental and Social Data Sheet

Overview

Project Name:	GORENJE RDI PROJECT
Project Number:	2015 0221
Country:	SLOVENIA
Project Description:	The project consists of Gorenje's investments in Research, Development and Innovation. The activities include R&D on new products (some 75% of the project cost) as well as Innovation activities to maintain the current product portfolio, all in the field of Major Domestic Appliances (MDA). The investment loan supports research in improved performance, user-friendliness, lower energy consumption and lower use of resources (such as water) for a range of such household goods. The project will be carried out mainly in the promoter's R&D centre and headquarters in Velenje (Slovenia) and to lesser extent in the promoter's R&D centres in Duiven (The Netherlands), Lidköping (Sweden) and Mora Moravia (Czech Republic).
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

Environmental considerations are well integrated in the company's processes. In 2000, Gorenje received the international certificate of integrated Environmental Management System ISO14001, which applies to all the locations where appliances are manufactured; in 2004, the group became the first Slovenian company to be entered into the EMAS register. In 2014, the group completed also the activities for the implementation of the EMAS system at its manufacturing plant in Valjevo, Serbia (Environmental Management System in Valjevo is prepared for EMAS registration. In 2015 Gorenje's daughter company Kemis became EMAS registered company.

Consistently with the principles of sustainable development, Gorenje group is committed to environment protection. Technological processes and equipment are constantly upgraded in order to effectively pursue the company environmental policy. The results achieved are published in dedicated environmental reports available on the promoter's website, where also future targets in terms of amount of waste generated, energy consumption and hazardous substances in products are reported.

Other Environmental and Social Aspects

A key trend in the home appliance industry, which drives the R&D development activities, is the efficient use of energy. In terms of the share of appliances in the top energy efficiency classes, the promoter is ahead of the market as 25% of all its MDA (Major Domestic Appliances) sold in Europe are A+++ rated, while the average share for the industry is at 14%. Washing machines in the A+++ energy class account for 63% of the European sales (compared to 33% for the industry), and dryers in the A++ account for 31% of the total sales (22% for the industry).

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.

In terms of manufacturing sustainability, the group has long-term and annual goals for each manufacturing plant, which relate to reduction of waste generation, consumption of water and energy. The factories are regularly controlled by the national inspectorates and their operations are compliant with the environmental legislation.

The group is certified OHSAS 18001; healthcare programs are in place and education on occupational health and safety, fire safety, and environment management training are regularly provided to the employees.

Conclusions and Recommendations

The project activities will be carried out in existing R&D facilities that will not change their already authorised scope due to the project. An EIA is therefore not needed as per Directive 2011/92/EU.

The project, if successful, will help the promoter to develop more efficient and user-friendly appliances that consume fewer resources (such as water), have higher degree of recyclability at the end of life and adopt higher percentage of components made of recycled materials.

In the light of the above, the project is eligible for the Bank's financing from the environmental point of view.