

Environmental and Social Data Sheet

Overview

Project Name:	STM R&D ITALY
Project Number:	20110299
Country:	Italy
Project Description:	The project relates to the RDI activities performed by the Promoter focused on the development of the technologies and products for the next generation of semiconductor devices. The development of new power electronics devices, leading-edge semiconductor logic devices and advanced micro-electromechanical systems (MEMS) are the main components of the project. The project covers the required technology and manufacturing R&D, the development of the products and the RDI to integrate the results into complex systems on a Chip (SoC) and to provide the final applications. The project activities will be carried out in Italy in the promoter's centers in Agrate and Castelletto (north of Italy) and Catania (Sicily, a convergence region).

EIA required: NO

Project included in Carbon Footprint Exercise¹: NO

(Details are provided in section: "Carbon Footprint")

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 20011/92/EU and therefore not subject to mandatory Environmental Impact Assessment. The proposed investments will take place inside buildings at R&D facilities already being used for similar activities within existing industrial sites. No new construction is planned and the expansion of facilities to new sites is not foreseen. R&D activities in semiconductors as included in the project are mainly software based, although the development of new manufacturing technologies require the need to run manufacturing test-runs using fluids and gases present in manufacturing environments.

Overall, the project's environmental acceptability is classified by the Bank under the category A, Acceptable. Due to the characteristics of the project, no significant negative impacts are expected on any site of nature conservation.

Environmental and Social Assessment

Environmental Assessment

The project activities are not specifically covered by Annexes I & II of EU Directive 20011/92/EU and therefore not subject to mandatory Environmental Impact Assessment.

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.

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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.

Social Assessment, where applicable

The issues related to the mining of certain minerals in the region of conflict within the Eastern Democratic Republic of Congo (DRC) and neighbouring countries has been a major focus of the promoters supply chain assessment in the last years. The issue relates to the mining and trade of minerals that are refined into metals to produce tantalum, tin, tungsten and gold, which are being used in the manufacturing process of semiconductor devices. In the above mentioned region, the mining and trading of these materials is causing serious human right violations and environmental damages.

The promoter is an active member of the Electronics Industry Citizenship Coalition (EICC) and the Global e-Sustainability Initiative (GeSI) and implements all the actions and procedures developed by this joint working group aimed at sourcing conflict-free minerals. These actions include the implementation of conflict-free Smelter and due diligence programs to verify the supply chain of the promoter, as well as to support in-region sourcing schemes to enable future legitimate trade from the region.

The promoter has identified the origin of over 2 500 parts across 36 tier one suppliers and all of their Front-end foundries and Back-end subcontractors, obtaining conflict-free declarations from 96% of the suppliers and detailed information from the remaining 4%. Therefore, the promoter did not identify any major risk of conflict minerals sourcing in their supply chain.

Other Environmental and Social Aspects

The promoter has indicated that all the sites included in the project are ISO 14001 certified and that all of the products sold in Europe are compliant with the ROHS Directive (Directive 2002/95/EC on restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment). The promoter publishes yearly Corporate Responsibility Reports which include the Environmental performances and objectives.

The promoter follows a Design for Environment process, in which products and processes are developed and manufactured responsibly, managing their potential environmental impact. The promoter performs an overall life cycle assessment (LCA) for selected products/processes, with the objective to eco-design all new products by 2015.

In addition, a large part of the products developed by the project will induce energy efficiency gains in their area of application. The power electronic devices for intelligent battery management, the ultra-low power microcontroller units as well as the ultra-low-leakage technology are some of the examples for the applications of the project related to energy efficiency.