

Environmental and Social Data Sheet

Overview

Project Name: VOLVO CARS INNOVATIVE TECHNOLOGIES RDI
Project Number: 2016-0129
Country: Sweden
Project Description: R&D aimed at the development of fuel efficient powertrains, active safety systems and telematics and connected vehicles technologies.

EIA required: no

Project included in Carbon Footprint Exercise¹: no

Environmental and Social Assessment

Environmental Assessment

The project concerns R&D activities that do not have any particular environmental impact. In addition about 45% of the project investment concerns R&D activities that aim at the improvement of the environmental characteristics of motor vehicles while the other remaining part aims at the improvement of safety and connectivity aspects of motor vehicles. The environmental related activities mainly concern the development of the next generation of petrol engines and the development of plug-in hybrid and battery electric powertrains and vehicles. The activities in the Petrol powertrains are expected to considerably improve the fuel efficiency to the previous generation, while in the electrification area, the company's objective is the deployment of plug-in hybrid variants across its entire range of vehicles built on the two new platforms (large and compact vehicles) and the introduction of fully electric vehicles in both these new platforms.

Other Environmental and Social Aspects

Sustainability is an important factor in the company's strategy. The environmental performance of operations is managed by an ISO 14001 environmental management system. Volvo began certifying their units to ISO 14001 in 1996 and certified the new Chinese operations in 2015 and the beginning of 2016. Each plant has annual energy reduction targets, and projects to improve among other the energy efficiency, carbon emissions and total plant water consumption. The company aims to be climate neutral (in terms of CO₂) in all own manufacturing operations by 2025 by prompting energy efficiency and by sourcing climate neutral energy supplies.

Conclusions and Recommendations

The project concerns R&D activities that will be carried out in existing facilities without changing their already authorised scope and do not have any significant negative environmental impact and an Environmental Impact Assessment (EIA) is not required by EIA Directive 2011/92/EU as amended. The R&D activities aim at the improvement of the

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.



Luxembourg, 13th December 2016

environmental characteristics of motor vehicles and at the improvement of safety and connectivity aspects of motor vehicles.

The project is considered as environmentally acceptable for financing by the Bank.

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