

Environmental and Social Data Sheet

Overview

Project Name: APERAM R&D AND COHESION REGIONS
Project Number: 2015 0667
Country: Belgium and France
Project Description: Investments in Aperam's EU-based RDI activities over the period 2016-2019, and the modernisation of two stainless steel production plants located in Nord-Pas de Calais France; and Hainaut, Belgium.

EIA required: no
Project included in Carbon Footprint Exercise¹: no

Environmental and Social Assessment

The project comprises two components:

a) **Investments in research and development**

These will be carried out in existing promoter's facilities mainly in Isbergues and partly in Imphy, both France, addressing the development of new steel grades, products and the optimisation of production processes. This type of activities is not mentioned in the EIA Directive, therefore these activities do not require an EIA according to Directive 2011/92/EU.

Although minor residual impacts might remain from production processes which still add to the overall environmental load, the expected new steel grades and products, process improvements and technical solutions from these R&D activities are expected to bring significant positive environmental results, in particular in terms of higher corrosion resistance of new stainless steel grades and hence increased product life cycles of the parts produced from such steels (e.g. automotive structural parts and exhaust systems), lower weight products resulting e.g. in a reduction in energy consumption and concurrently of CO₂ emissions in the automotive sector.

b) **Investments in plant modernisation**

The revamping of the hot rolling mill plant at Châtelet, Belgium and the modernisation of the cold rolling mill plant at Isbergues, France concern the replacement of motors, equipment and machinery components which have come to the end of their useful life. The activities do not require an EIA according to Directive 2011/92/EU either.

Energy efficiency improvements and hence savings of electricity consumption can be expected from such modernisation, leading also to a CO₂ emission reduction. Both project sites operate in compliance with ISO 14001 environmental systems and with OHSAS 18001 regarding OHS matters. As far as applicable, the plants and project components conform to BAT standards.

Biodiversity or nature conservation issues are not touched upon as the project and ensuing activities will be carried out within the borders of existing industrial facilities.

The promoter has a clear corporate governance structure and practices corporate social responsibility, which is entrenched in the company culture. He engages with his stakeholders and publishes since its creation on an annual basis a sustainability report:

http://www.aperam.com/uploads/Sustainability%20report%202015/ASR_2015_madeforlife.pdf

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.

Conclusions and Recommendations

The project will not result in significant additional negative environmental and social impacts compared to the situation without project. It is therefore considered acceptable for Bank financing.