



Luxembourg, 20 October 2022

Environmental and Social Data Sheet

Overview

Project Name:	DEMANT MEDICAL TECHNOLOGY RDI
Project Number:	20220389
Country:	Denmark, Poland
Project Description:	Financing the promoter's RDI investments to develop new hearing aid technology.
EIA required:	no
Project included in Carbon Footprint Exercise ¹ :	no

Environmental and Social Assessment

Environmental Assessment

The specific RDI activities included in the project will not have any relevant environmental impact, as they relate to development of software and engineering solutions to be performed in existing facilities without changing their already authorised scope. Therefore, the project activities neither fall under Annex I nor Annex II of the EU EIA Directive 2011/52/EU amended by Directive 2014/52/EU.

The hearing aids to be developed as a result of the project are defined as Class IIa Medical Devices. The promoter is in compliance with the regulations set by the EU MDD (Medical Devices Directive) 93/42/EC, as well as by the US FDA and equivalent regulations in all the territories where it operates. The promoter is engaged in an ongoing effort to ensure compliance with the forthcoming EU MDR (Medical Device Regulation).

Demant's hearing healthcare products are developed under a highly regulated quality system complying with ISO 13485 and FDA 21CFR 820 CGMP, as well as other national standards. Furthermore, hearing aids are in principle subject to regulations related to electromagnetic radiation, as some models contain 2.4 GHz radio transceivers. However, the promoter's products operate with low power (around 1 mW) which is significantly below the threshold (20 mW) to require SAR (Specific Absorption Rate) measurements². The promoter has all their products tested by an independent accredited test house to formalise their compliance with electromagnetic radiations regulations.

The promoter's products and activities (including this project) comply with the EU RoHS2 (Restriction of Hazardous Substances in Electrical and Electronic Equipment) and WEEE (Waste Electrical and Electronic Equipment) Directives, REACH (Registration, Evaluation,

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO₂e/year absolute (gross) or 20,000 tonnes CO₂e/year relative (net) – both increases and savings.

² Based on standard EN 62479:2010: Assessment of the compliance of low power electronic and electrical equipment with the basic restrictions related to human exposure to electromagnetic fields (10 MHz to 300 GHz).



Luxembourg, 20 October 2022

Authorisation and Restriction of Chemicals) Regulation as well as other applicable international and local regulations.

Other Environmental and Social Aspects

As a company with a clear diversity and inclusion profile and initiatives to support the equal rights and opportunities of all genders, Demant makes continuous progress on gender balance:

- The share of women on the company's Board and in senior management (currently, 40% and 43% respectively, with a steady increase along both dimensions over the last years);
- The overall share of women in Demant's workforce (62%); and
- The company's policy and targets regarding diversity, equity and inclusion, which aim at achieving a relevant gender balancing across the company's workforce, including at the level of the EIB-financed project.
- The financed project is expected to lead to the creation of about 100 new R&D positions (79 in Denmark and 21 in Poland).

Moreover, the project is expected to lead to significant social benefits resulting from new and improved hearing aid technologies to alleviate the problems linked to living a life with hearing loss. In addition, among many social benefits, hearing aids contribute to enhancing social inclusion and participation for their users with all the positive derived health benefits.

The promoter is a signatory of the UN Global Compact and produces an annual Sustainability report (covering all ESGs) to communicate its progress and further aspires to have zero environmental impact by 2050, and in 2021, they committed to the Science Based Targets initiative.

Conclusions and Recommendations

The project activities neither fall under Annexes I nor II of the EU EIA Directive 2011/92/EU amended by Directive 2014/52/EU. The proposed investments will take place inside buildings at existing RDI facilities without changing their already authorized scope, and are not expected to have a significant environmental impact on the surroundings. The promoter complies with all relevant regulations and recommendations related to its business.

Therefore, the project is considered acceptable in environmental and social terms for the Bank's financing.