

Conclusions

Battery systems RDI – green loan

INVEU-ICR-0051-2022 – Research, Innovation, Digitisation

Short description of the financing or investment operation and its objectives

Name of the promoter or financial intermediary	Webasto SE
Countr(ies) of implementation	Germany
Implementing partner	EIB

The project concerns the promoter's investments in R&D for innovative technologies for application in battery electric, plug-in hybrid electric and fuel-cell electric vehicles. It specifically includes investments for technologies in the fields of battery systems. The activities are carried out by the Group's advanced engineering division as well as in the product and technology related business units.

In the Business Units the activities cover developments of platforms, modules and technologies (pre-development) as well as the products in specific applications (series development). Overriding objectives across all developments include cost and efficiency improvements, new functionality, lower weight and volume, increased durability, and improved safety characteristics.

The primary R&D activities concern the development of electrification technologies spanning Battery systems. In particular, the objective is to support the overall promoter's transformation strategy into E-mobility solutions and further the platform strategy through standardized and configurable solutions that enable faster and easier fleet electrification.

The project in the field of innovative technologies for zero-emitting vehicles contributes to the development of a more efficient and sustainable European transport system.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 9 September 2022 for the above mentioned operation.

On the one hand the Bank is able to provide a financial value added. On the other hand, the EIB's capacity to extend a sizable loan from one source combined with an attractive tenor and disbursement period (currently not available to the promoter to that extent) are considered important and particularly relevant elements of additionality. The EIB loan would further contribute to the diversification of the borrower's financing sources and thereby the funding structure of the project. Moreover, the Bank as a stable anchor financier with a long-term investment strategy and commitment provides stability to the capital structure.

The promoter is investing in strengthening its current market position and, at the same time, developing a range of new technologies to build up its future in a changing mobility world and address the requirements of the automotive industry and market that are going through a radical

Conclusions

transformation. The development of this new range of battery technologies entail higher risks compared to the established business lines.

The project will contribute to furthering the automotive industry's sustainability in the longer term and lead to important environmental and knowledge externalities through the market deployment of the technologies developed. The project addresses market failures and gaps associated with imperfect competition and incomplete markets for innovative and still market-entry-stage vehicle electrification technologies.