

Environmental and Social Data Sheet

Overview

Project Name:	TIM Data Centres and Fixed Network Upgrades
Project Number:	2020-0541
Country:	Italy / Greece
Project Description:	The project concerns the construction of several new data centres located in Milan, Turin as well as one in Greece. At the same time, also the national optical transmission and IP backbone will be modernised in order to cope with the heavily growing traffic generated by the fixed and mobile access networks as well as data centres. The implementation will take from 2020 to 2023.
EIA required:	Certain sub-projects could be subject to an EIA. If required by the competent authority, the Promoter shall make the Environmental Impact Study/Statement (EIS) available to the EIB.
Project included in Carbon Footprint Exercise ¹ :	Yes
(details for projects included are provided in section: "EIB Carbon Footprint Exercise")	

Environmental and Social Assessment

Environmental Assessment

The promoter's strategic plan foresees the construction of a sizable number of modern data centres mostly in the Milan and the Turin region including one in Greece. Furthermore, some of the existing data centres will be extended and/or modernised while several outdated and centres will be decommissioned. The new data centres will be mostly build at brownfield sites i.e. either on the site of an existing data centre or on sites with an industrial background which are now obsolete and currently unused. Only one site will be a greenfield development within an existing industrial zone.

A further part of the project concerns the modernisation of the national optical transmission and IP backbone in order to cope with the heavily growing traffic generated by the fixed and mobile access networks as well as by the data centres. Such equipment will be installed in existing facilities and cabinets at more than 3 000 central network locations spread across Italy.

The two main project components, the data centre constructions and the core network modernisation, are not explicitly mentioned in any Annexes of the EU Directive 2014/52/EU

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.

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amending the EIA Directive 2011/92/EU. While the core equipment is small and housed in existing facilities, the new data centres might be covered by Annex II of the Directive in relation to industrial estate development. Considering the type of projects, their size and location in existing industrial zones, the promoter does not expect, that an EIA will be requested for any of the locations under the national legislation.

The data centres will have a high power usage efficiency along the latest industry standards. The Greek data centre is designed with an efficiency that makes it one of the most efficient data centres in southeast Europe. The promoter will also demonstrate the quality of its data centres by a design according to the criteria of the EU Code of Conduct and it seeks also a certification according to the LEED Gold standard for the facilities.

EIB Carbon Footprint Exercise

Estimated annual emissions of project in a standard year of operation:

- absolute (gross) 22 kilo tonnes of CO₂ equivalent per year and
- relative (net) 0 kilo tonnes of CO₂ equivalent per year

The above emissions concern the total power consumption of the support systems of the seven new data centre facilities assuming the entire capacity at full load. The IT equipment installed in the data centres is not part of the project and it accounts for another 50% of the power consumption. As these new data centres represent additional capacity designed according to latest standards and best available technology, therefore the relative emissions are considered 0 kt of CO₂.

For the annual accounting purposes of the EIB Carbon Footprint, the project emissions will be prorated according to the EIB lending amount signed in that year, as a proportion of project cost.

Other Environmental and Social Aspects

The promoter is very active and ambitious in its overall corporate social standards. All activities, targets and achievements are published in a separate annual sustainability report. The data contained in the report comprises TIM's significant impacts on its stakeholders, compared to economy, environment and society. TIM reinforces such commitments also through memberships in various associations such as Global Compact (since 2000), Global Reporting Initiative (GRI) and GeSI (Global e-Sustainability Initiative). The annual sustainability reporting is in compliance with GRI G4 comprehensive option including external auditing.

The promoter is listed in various sustainability indexes among which are the Dow Jones Sustainability World and Europe, STOXX, FTSE4GOOD and Vigeo Eiris.

Conclusions and Recommendations

Considering the above, the project is acceptable for the Bank's financing in environmental and social terms. In case an EIA is requested for any of the subprojects included in the project, the Promoter shall make the Environmental Impact Study/Statement (EIS) available to the EIB.