

**Public**

## **Environmental and Social Data Sheet**

### **Overview**

Project Name:	MAGYAR TELEKOM BROADBAND NETWORK EXPANSION
Project Number:	2018-0888
Country:	Hungary
Project Description:	The project concerns the rollout of advanced broadband networks in Hungary. The new networks will enable broadband services up to 1 Gbps. The measures will include the upgrade of the existing cable TV network with the latest broadband technology as well as the further expansion of the Fibre-to-the-Home network.
EIA required:	No
Project included in Carbon Footprint Exercise <sup>1</sup> :	No

### **Environmental and Social Assessment**

#### **Environmental Assessment**

One-half of the project concerns the installation of new fibre access lines (Fibre-To-The-Home) in Hungary. Such new optical cables will be installed mostly on public ground along-side roads either in existing or new underground ducting systems as well as on existing poles for overhead installation. The access network will also require smaller street-side cabinets and central office equipment, which whenever possible will make use of the widely available own facilities. The other half of the project relates to the replacement of outdated equipment of the existing cable TV network by latest technologies. In this case, there is very limited need for new cable installations.

In general, the above works will require approval by the local competent authorities before they can be executed. The approvals will also require appropriate reinstatement works in order to limit the residual impact.

The project activities do not fall under Annexes I or II of the EIA Directive 2014/52/EU amending the EIA Directive 2011/92/EU, and are therefore not subject to a mandatory Environmental Impact Assessment.

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<sup>1</sup> Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20 000 tonnes CO<sub>2</sub>e/year absolute (gross) or 20 000 tonnes CO<sub>2</sub>e/year relative (net) – both increases and savings.

Luxembourg, 10 November 2019

## **Other Environmental and Social Aspects**

The promoter has a very well developed and comprehensive corporate social responsibility (CSR) policy with an annual reporting. These CSR principles and benchmarks are derived from the UN Sustainable Development Goals (SDG). At the same time, the promoter is also actively involved in various committees and work groups with direct SDG relevance such as UN Global Compact, GSMA, GeSi (Global e-Sustainability Initiative) and econsense.

The group wide Corporate Responsibility performance is monitored through 13 different environmental, social and governance KPIs. Those KPIs are measured and analysed by the controlling department on a group wide basis and are used to manage the company's CR performance.

## **Conclusions and Recommendations**

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