

Benchmarking tool

Telecoms sustainability scorecard

We benchmark the performance of over 70 companies against eight sustainability related criteria.

Sustainability Insights Service

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To be credible partners to customers on achieving net-zero, telecoms operators must demonstrate a commitment and progress in reducing their own scope 1, 2, and 3 emissions and embedding sustainability as a priority across the organisation.

Solving the scope 3 challenge will also require significant collaboration across the value chain. In this update we have included a new criteria assessing companies' participation in pan- and cross-industry organisations aimed at addressing these challenges.

Which companies are most mature in their sustainability journeys – and how did they get there?



Agenda









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4	Top 5 performers	24

How do telcos compare with their peers on sustainability, and how can they accelerate their impact?

- This scorecard rates telecoms operators' and a selection of adjacent market companies' sustainability credentials
 - We include a handful of global technology, content, and infrastructure players to help telecoms operators to understand where their strengths and weaknesses lie compared to them
 - Through eight criteria, we evaluate 71 companies' sustainability reporting, commitments to net-zero, biodiversity, and social and governance targets, and their activities to enable customers to achieve net-zero ambitions
- The purpose of this scorecard is twofold:
 - To help telecoms operators **understand how they compare against their peers**
 - To **identify which levers they can pull to accelerate theirs and their customers' maturity in sustainability**, by taking inspiration from those that are further ahead in their journey
- It is accompanied by an excel tool with the full scorecard for all 71 companies

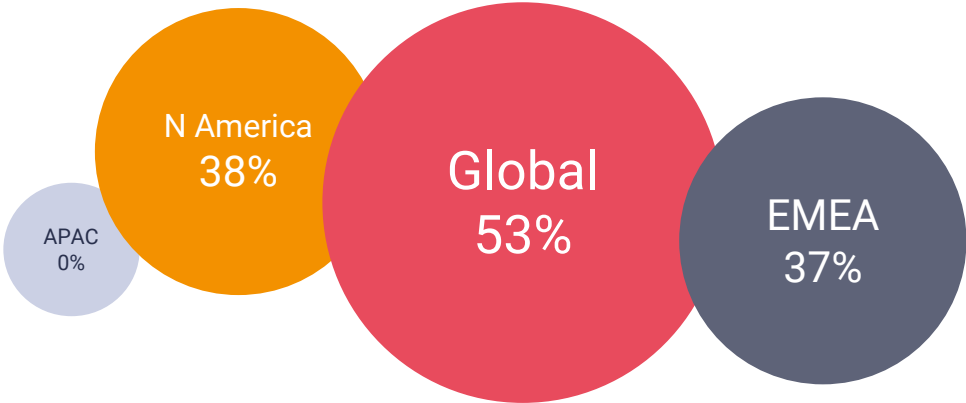
**Access the full
sustainability
scorecard in excel**

Our 8 criteria aim to provide a holistic view of telcos' and their competitors' maturity in sustainability

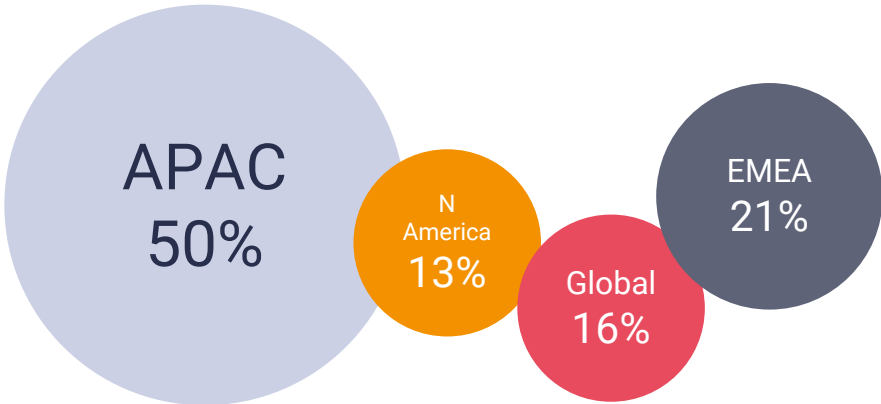
Company strategy	Company-wide management	Networks & operations	Finance	Corporate culture	Sustainability team	Consumer & enterprise BUs	Sustainability team
1	2	3	4	5	6	7	8
Holistic sustainability reporting	Board and employee incentives	Public reporting on emissions scope 1, 2 & 3	Green finance	Commitment to diversity and inclusion	Commitment to biodiversity	Enablement of customers' reduction in CO2 emissions	Collaboration
<ul style="list-style-type: none"> Integrated across the company Length of time Ease of access 	<ul style="list-style-type: none"> Financial incentives for board and employees 	<ul style="list-style-type: none"> Ambitious targets Consistency Validated methodology on scope 3 	<ul style="list-style-type: none"> Number and type of bonds 	<ul style="list-style-type: none"> Detailed Diversity and Inclusion report 	<ul style="list-style-type: none"> Multiple initiatives Reporting on progress 	<ul style="list-style-type: none"> Verified and responsible reporting methodology Impact 	<ul style="list-style-type: none"> Signing up to organisations with joining mandates Evidence of impact
							

Companies with a global footprint are generally more mature with their sustainability strategies

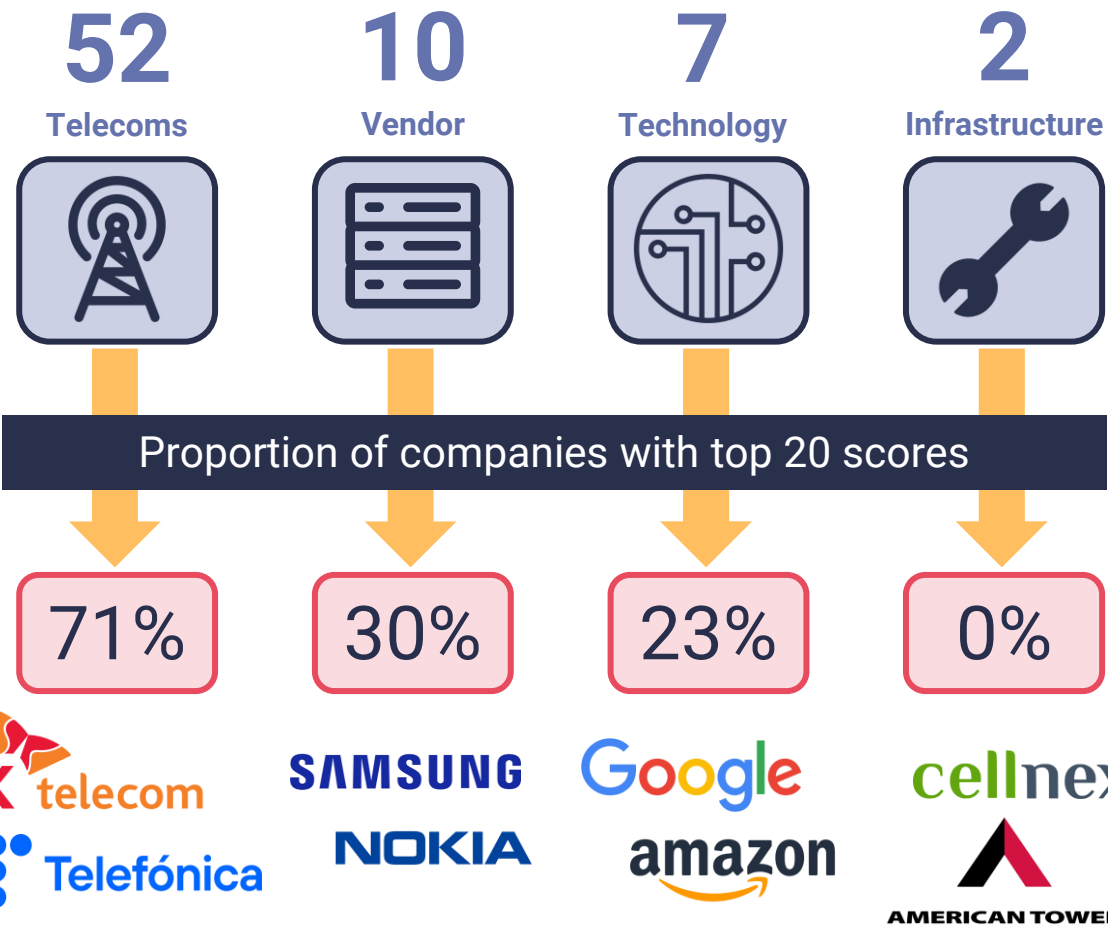
Percentage of companies by region: top 20 scores



Percentage of companies by region: bottom 20 scores



Breakdown by company type



New in this update to the scorecard

Introduction of a new 8th criteria: Collaboration

Sustainability should not be viewed as a competitive endeavour. When companies work together on initiatives that help to drive forward progress, this benefits the entire industry. This criteria highlights the importance of companies looking beyond their internal activities and external reporting to collaborate with peers and drive cross industry, or intra-industry change. This is particularly important for addressing the scope 3 emissions challenge.

This criteria rewards companies that have played a founding role, or are active players, in initiatives that can demonstrate meaningful impact.

Inclusion of 12 new companies, including 9 vendors

We have added a further 5 telcos to the scorecard, from APAC, EMEA and North America.

In addition, this is the first time the scorecard includes vendors. These players have a vital role to play in the ecosystem, working with telcos to ensure the products and solutions they provision can contribute towards their customers' net zero ambitions. The more that vendors can demonstrate their sustainability credentials, the more attractive they are to telcos that are increasingly seeking transparency from their suppliers.

The result: Movement of the top 5

- This update has seen BT move up one place in the top 5, now in at third position above Verizon, which it has switched places with.
- Additionally, KPN has re-entered the top 5, replacing Bell which has moved down to 11th place. This has been driven by KPN's strong score in collaboration.

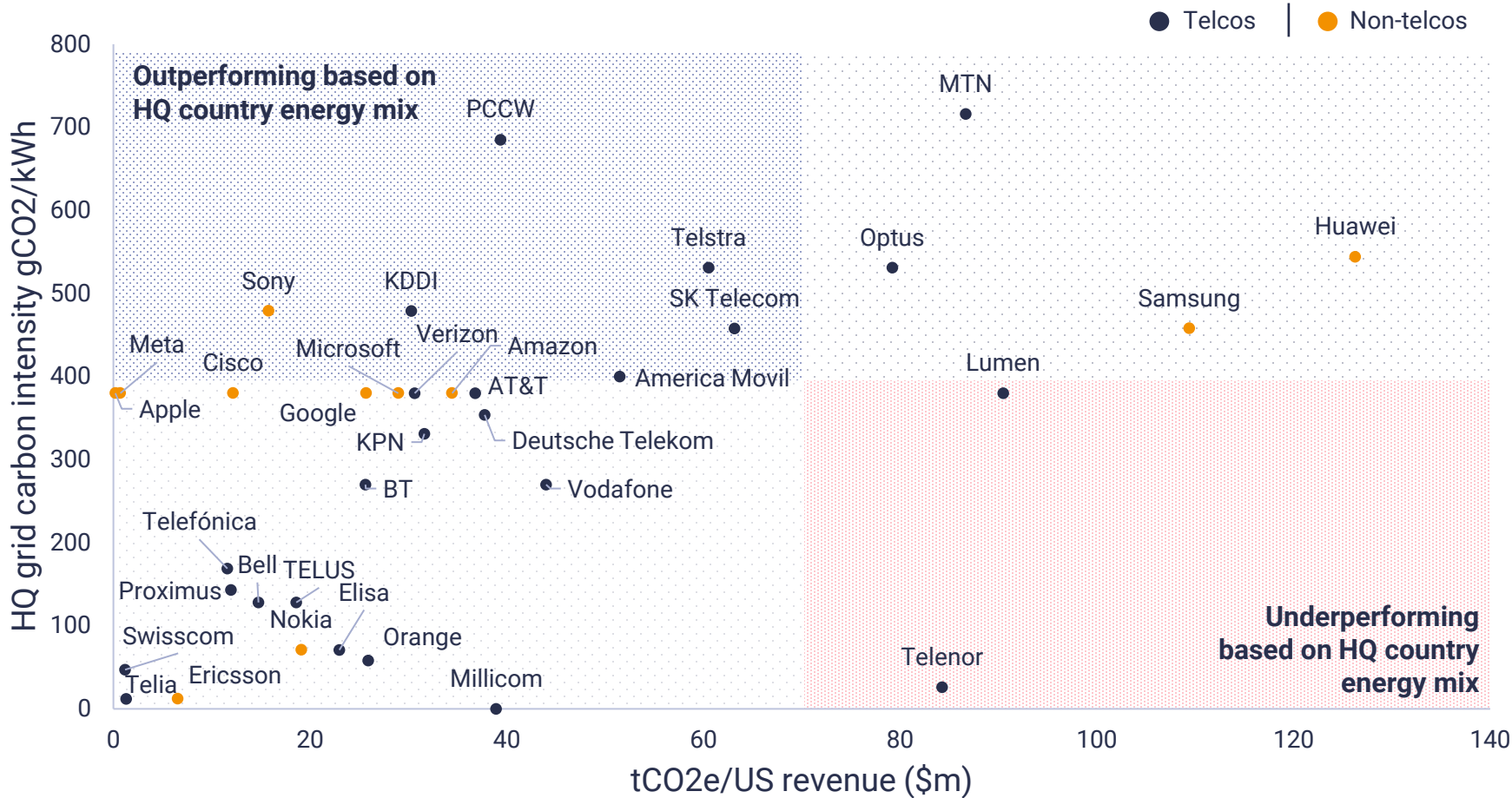
We ranked 71 companies across 8 criteria to assess their sustainability maturity, with 6 points as the maximum score

Telefónica	Vodafone	BT	Verizon	KPN	Orange	Proximus	Google	Amazon	Nokia	Bell	Samsung	Microsoft	Ericsson	
4.05 ↑	3.60 ↑	3.58 ↑	3.53 ↑	3.34 ↑	3.34 ↑	3.34 ↑	3.27 ↑	3.21 ↑	3.16 ●	3.12 ↓	3.12 ↑	3.07 ↑	3.06 ●	
Meta	Apple	Deutsche Telekom	TELUS	Elisa	Telia	Swisscom	SK Telecom	Cisco	AT&T	PCCW	Huawei	Sony	Telenor	
2.99 ↑	2.99 ↓	2.99 ↑	2.92 ↓	2.92 ↑	2.89 ↑	2.81 ↑	2.79 ↓	2.79 ●	2.77 ↑	2.67 ↓	2.66 ●	2.62 ↑	2.61 ↑	
KDDI	Millicom	MTN	Telstra	Lumen	Optus	America Movil	Softbank	Singtel	HPE	T-Mobile	Saudi Telecom Company	Cellnex	Zain	
2.59 ↓	2.52 ↓	2.51 ↑	2.47 ↑	2.47 ↓	2.47 ↓	2.46 ↑	2.46 ●	2.46 ↑	2.41 ●	2.36 ↑	2.34 ↑	2.31 ↑	2.24 ↓	
LG	Vodacom	Netflix	Qualcomm	MTS	American Tower Corporation	ZTE	Globe	Dell	Rogers	Bharti Airtel	TPG	Rakuten	China Mobile	
2.21 ↓	2.19 ●	2.19 ↑	2.07 ●	2.06 ↑	2.02 ↑	2.02 ●	2.01 ↑	1.99 ●	1.94 ↓	1.92 ↑	1.86 ↑	1.78 ●	1.76 ↓	
Etisalat	Telkom South Africa	Amdocs	Telkom Malaysia	Telkom Indonesia	Tata Comms	Colt	Jio	Sasktel	Maxis	China Telecom	Veon	Ooredoo	Digicel	US Cellular
1.74 ↓	1.73 ●	1.71 ●	1.66 ↓	1.63 ↓	1.59 ↑	1.54 ↑	1.53 ↑	1.53 ↓	1.41 ↓	1.39 ↓	1.26 ↓	1.18 ↓	1.13 ↓	0.99 ↓



Leaders in Scope 1 and 2 emissions should aim to be less carbon intensive than their national grids

Top 35 - energy intensity vs. HQ grid intensity



Source: Company reports, Telegeography, Our World In Data. Note: Location-based data where available. See Appendix for detailed data set.

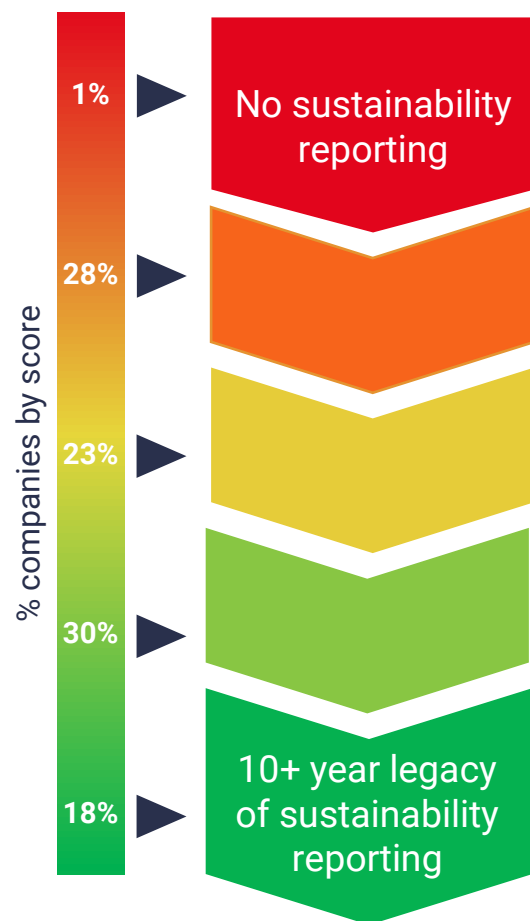
- The carbon intensity of the top 35 performers on our scorecard is affected by their energy consumption as well as the size of their revenues compared to their physical footprint – this benefits non-telcos such as Apple, Meta and Sony.
- Leading telcos should aim to achieve low carbon intensity compared with the actual mix of energy in their grids, outperforming through highly energy-efficient operations.
- This skews the performance of global players such as Telenor, whose HQ country Norway has a highly efficient grid, but its Asian opcos have limited access to renewable energy sources.
- Overall European telcos tend to outperform North American and Asian peers owing to higher accessibility of renewable energy sources.

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Criteria 1: Structured sustainability reporting

A history of publishing sustainability reports over a period of time shows a sustained commitment to sustainability. As part of a company's commitment through reporting, we are also looking for consistency in reported data and evidence of sustainability strategy being integrated across the organisation, rather than treated as a separate issue.



Characteristics of the top ranked companies

- Published sustainability reports that have been audited by a third party for the last 10 years.
- Sustainability is embedded into the corporate strategy of the company, evidenced in Chairman's address and a broad range of initiatives deployed across all parts of the organisation.
- Report incorporates an internationally recognised sustainability framework (e.g. sustainability KPIs are tied to SDGs, membership to CDP, certification by STBi).
- Top ranked companies are beginning to formalise their sustainability reporting to be in line with financial reporting, for instance publishing data on a quarterly rather than annual basis. See [more analysis on carbon reporting dashboards here](#).



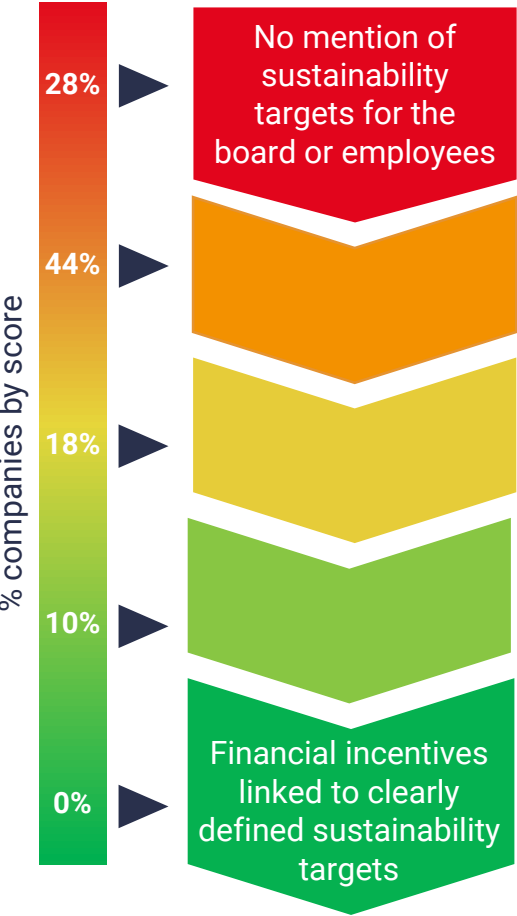
- Singtel has published a sustainability report since 2009.
- Sustainability is central to the message from Chairmen and Group CEO in Singtel's 2021 annual report.
- Singtel has incorporated the SDGs, as well as guidance from the SBTi and other frameworks into its sustainability reporting and goals.

Other top ranked companies:



Criteria 2: Sustainability commitments and incentives

Evidence of board level incentives tied to ESG targets demonstrates that the organisation sees achieving sustainability targets as core to its long term competitiveness. Incentives for employees demonstrate that the organisation recognises achieving ambitious targets will require bottom up as well as top down initiatives.



Characteristics of the top ranked companies

- Board level and senior leadership incentives are tied to achieving sustainability/diversity targets.
 - So far, few companies incentives for executives that pay out on very long term targets that may post-date their tenure. This could be a good way to promote long-term planning in an industry that tends to prioritise shorter term results.
- Size of incentives is clear and target metrics are specific and measurable.
- ESG incentives are cascaded into all employees' short-term incentives.



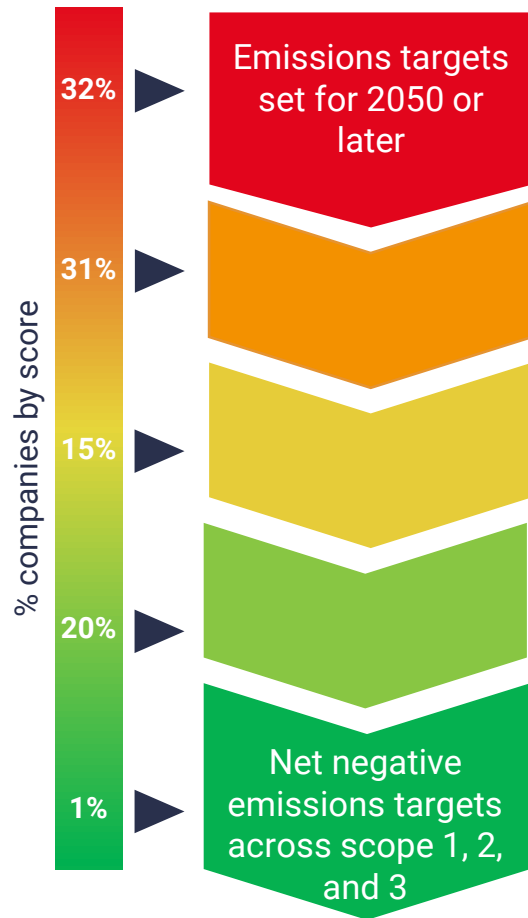
- For the period of 2019-2021 long term incentives for the KPN board were tied to circularity targets.
- The circularity target accounted for 15% of the boards long term incentive, up from 12.5% (linked to energy efficiency) previously.
- Few companies specified cascading their incentives to all employees, resulting in no company achieving the top score for this criteria.

Other highly ranked companies:



Criteria 3: Public reporting on scope 1, 2 and 3 with associated emission reduction targets

While those in low-carbon energy markets can commit to earlier targets more easily, well-defined reporting frameworks – especially for scope 3 emissions – demonstrate an organisation's commitment and increase confidence in its ability to meet its emissions targets.



Characteristics of the top ranked companies

- Has set a target to achieve net zero before 2040 and net negative carbon emissions across Scope 1 and 2, and 3 emissions (or has a target to compensate for historical emissions).
- Aligned emissions targets with >1 recognised climate change framework Leading frameworks include the Science Based Target Initiative (STBi), Carbon Disclosure Project, and TCFD.

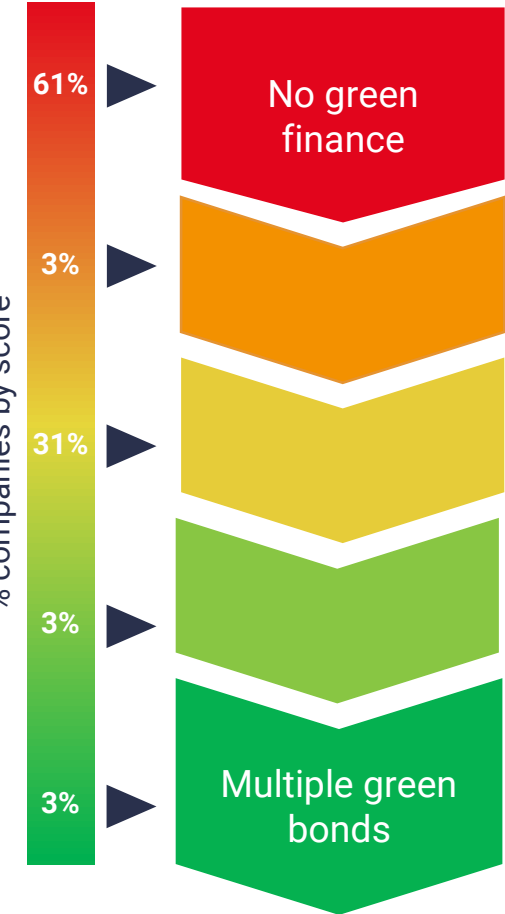


- Microsoft pledges to be carbon negative by 2030, meaning it will begin to remove carbon from the environment.
- By 2050, it pledges to have removed all the carbon that it has emitted since it was founded in 1975.
- Founding member of Transform to Net Zero, whose 2025 goal is for all Fortune Global 1000 companies to have targets backed up by plans to achieve net zero by 2050.

Note: Microsoft is the only company that received the top score for this criteria. It is very difficult for the leading telcos to match Microsoft's negative emissions target, given that they are often older and have therefore been responsible for more emissions over time. However, telcos will still need to reduce scope 2 energy emissions while rolling out 5G, and collaborate across the industry to tackle scope 3 and circularity in their network equipment in order to meet net-zero targets.

Criteria 4: Green finance

Issuing of green bonds or sustainability-linked bonds shows that a company is committed to raising money for projects that are going to be beneficial in their drive towards sustainable practices. This is more relevant for telecoms operators than for some technology companies with small debt profiles.



Characteristics of the top ranked companies

- Has issued three or more green bonds and has reported on the use of the proceeds.
- Notably this metric is telco-specific, as companies like Microsoft are cash-rich.
- As telcos mature in their sustainability journeys, we will increasingly seek other evidence of buy-in from finance teams, e.g. through greater appetite for factoring more stringent sustainability criteria in procurement decisions.

Why it matters

- Although green and sustainability linked bonds are facing increasing headwinds owing to the difficulty of tracking benefits, the green benefits of copper to fibre transition are well proven and still underway, and therefore remains a good opportunity for telecoms operators.
- As a company builds more expertise in green finance, it can launch a wider range of bonds to tackle broader initiatives beyond the copper to fibre transition, as Telefónica has done.

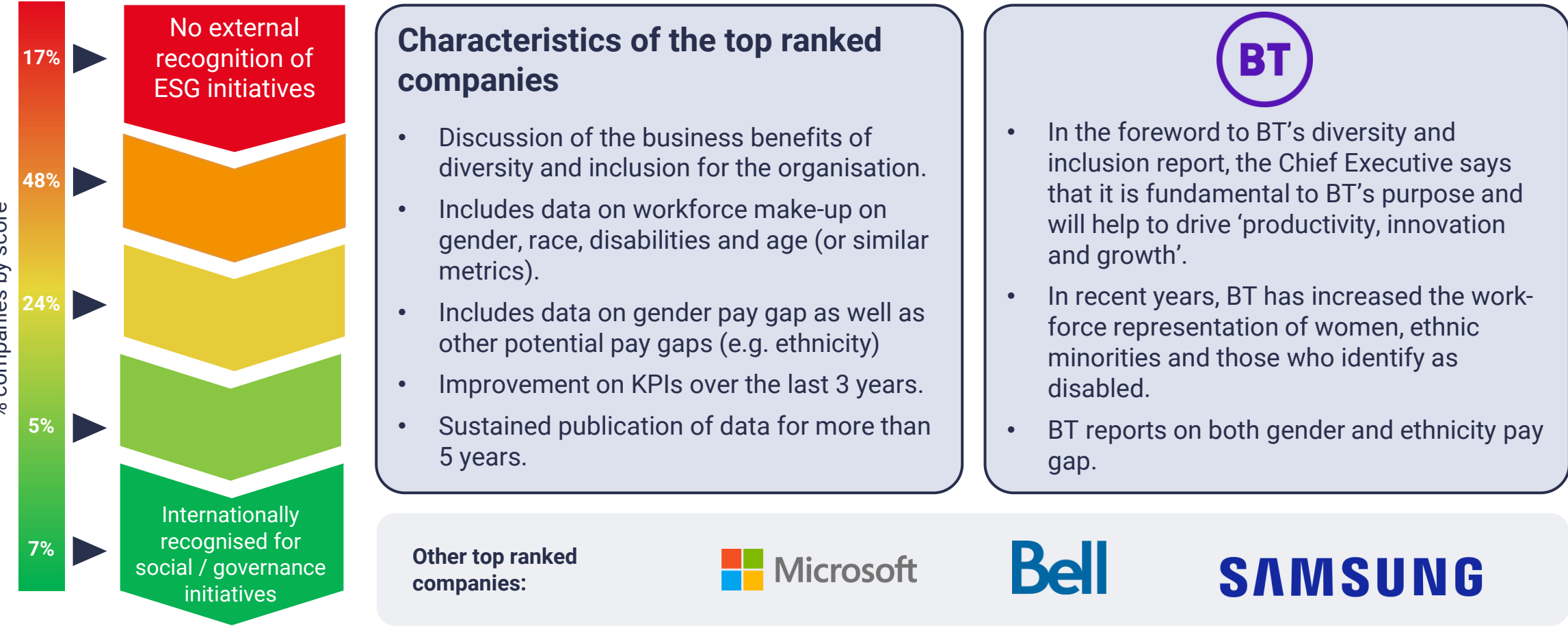
- Telefónica was the first telco to issue a green bond, and since 2018 it has issued more than €6bn in green or sustainable bonds.
- Proceeds from the latest bond launched in January 2023 will finance energy saving projects such as shutting down obsolete equipment.

Telefónica green bonds

Year	Euros, millions
2018	1000
2020	500
2021A	1000
2021B	750
2022A	1000
2022B	750
2023	1000

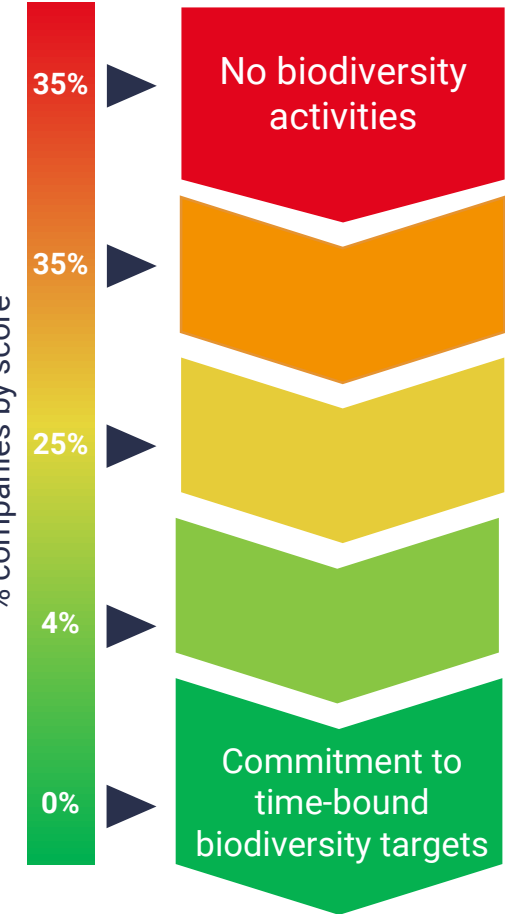
Criteria 5: Commitment to diversity and inclusion

While the environmental aspect of ESG often gains most attention, it is important to recognise where companies have worked towards targets in the social and governance aspects of ESG. To make our scoring more objective and consistent, we have changed our reporting methodology, deciding to focus on data companies publish, rather than the awards they have received.



Criteria 6: Commitment to biodiversity

Biodiversity is a relatively new element of corporate sustainability initiatives. However, it is a crucial component to meeting global sustainability targets. While the nascent nature of this area means there are few reporting frameworks, we are looking for evidence of measurable impact on biodiversity.



Characteristics of the top ranked companies

- Commitment to achieving biodiversity targets in annual/sustainability report.
- Targets are material, granular, specific and quantifiable.
- Reporting on progress in biodiversity initiatives.

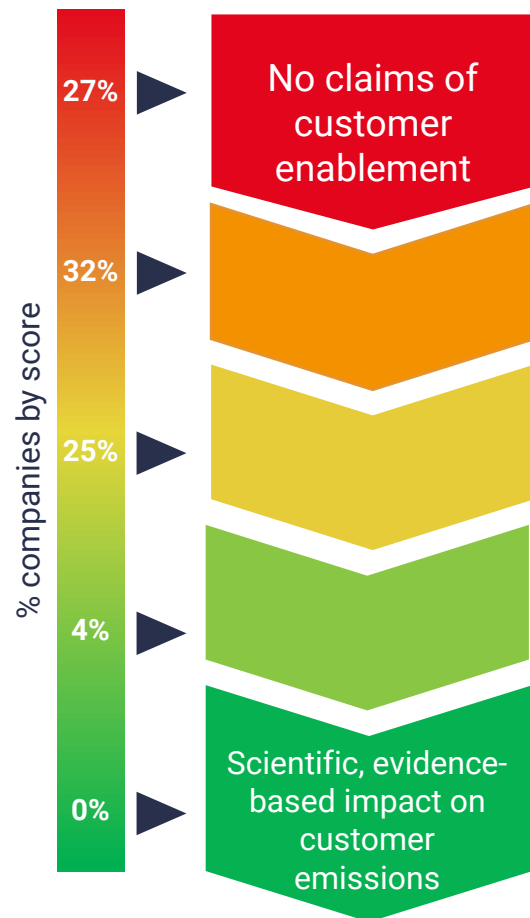
SONY

- All Sony business sites have conducted biodiversity conservation activities according to the needs of the region in which they are located. For instance, in 2011 Sony's Kohda site in Japan began carrying out activities to secure and share seedlings of native species necessary for regeneration of the local ecosystem.
- Sony has set specific targets such as cutting the loss of natural habitats to at least half, and protecting at least 17% of terrestrial areas and 10% of marine areas.

Note: No companies achieved the top score because methodologies for quantifying the impact of biodiversity initiatives are still nascent. Even if companies have biodiversity on their radar, they likely lack the tools or resources to measure their impact in the same way they track energy usage, for instance. Meanwhile, in most cases it has not risen far enough up the agenda to become a core element of most companies' sustainability activities.

Criteria 7: Enablement

Companies that are committed to enabling their customers to reduce their carbon footprint will have concerted initiatives that are delivering measurable benefits, likely with a sector-specific focus. We profile such services in our [telecoms net-zero use case directory](#) which covers 14 use cases and 25 real world examples of enablement services for consumer and enterprises.



Characteristics of the top ranked companies

- Enablement claims are granular and tied to one or a few target sectors.
- Targets are scientific, evidence based, repeatable, legitimate reporting mechanisms. In practice, this is difficult as there is no standardised methodology for measuring enablement effects.
- In the absence of this, leading organisations are transparent about their methodologies for assessing how their services are helping customers to reduce emissions. This should include an assessment of what proportion of the emissions reduction they are responsible for (e.g. whether the telco is just providing connectivity, or an end-to-end application).
- See more detail on what STL deems to be [credible versus non-credible enablement claims among telcos here](#).



- AT&T has established a [Gigaton Goal](#) where it has a target to enable customers to reduce a gigaton of GHG emissions by 2035.
- It has partnered with Carbon Trust to develop an abatement factor that represents the average emissions reduction that can be possible when using a range of AT&T-enabled solutions.

$$\sum \left(\text{Carbon Abatement Factor} \times \text{Volumes} \right) = \text{Total Carbon Abatement}$$

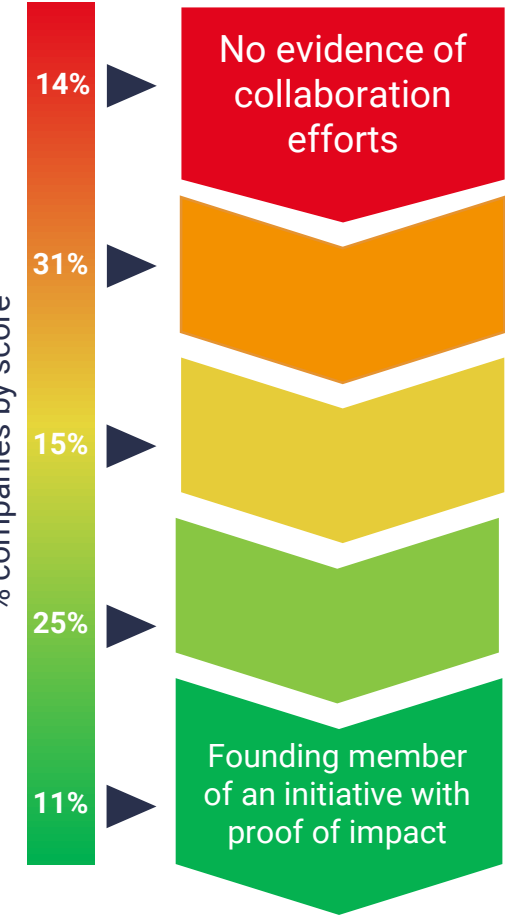
Sum of enabling technologies used by customers

Derived from case study or modeling (kg CO2 avoided per connected vehicle)

Annual Volume Data Number of connected vehicles

Criteria 8: Collaboration

Collaboration is a new criteria that highlights the importance of cross industry initiatives in driving the sustainability agenda. Standardisation within sustainability is still relatively nascent and can only be achieved when multiple stakeholders, within and across industries, work together. We are looking for evidence of companies joining and founding initiatives that can evidence positive impacts.



Characteristics of the top ranked companies

- Companies demonstrate evidence of playing a founding role in establishing an industry-wide or cross industry initiative to reduce tackle climate change or another sustainability challenge.
- These initiatives must have joining mandates, indicating the credibility of the initiative itself.
- The initiative should also display proof of impact or activity over the past 24 months.



- Telia is part of multiple cross industry collaborative efforts including the JAC, Eco Rating, European Green Digital Coalition and Race to Zero.
- It is also a founding member of the Exponential Roadmap Initiative, which works to accelerate climate action and solutions, and is itself is a founding partner of the 1.5C Supply Chain Leaders. In a recent session, the Exponential Roadmap Initiative in collaboration with 1.5C Supply Chain Leaders explored ways to drive climate action in supply chains through incentives and tools such as the [Supplier Engagement Guide](#).

Other top ranked companies:

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The Climate Pledge

Initiative aim



- A **pan-industry** initiative started by Amazon and Global Optimism in 2020 with **384 signatories**
- The overarching goal is to mitigate climate change by helping their signatories to **achieve net-zero emissions by 2040**
- They are building a **climate focused collaboration platform** for signatories that will allow them to **connect** with people **to solve shared problems**

Evidence of impact

- Signatories pledge to...
 1. **Measure and report greenhouse gas emissions** on a regular basis
 2. Implement **decarbonisation strategies** in line with the Paris Agreement through business changes and innovations, including efficiency improvements, renewable energy, materials reductions, and other carbon emission elimination strategies
 3. Neutralise any remaining emissions with additional, quantifiable, permanent, and socially-beneficial offsets to **achieve net-zero** annual carbon emissions **by 2040**
- They have started **venture fund** – The Climate Pledge Fund – which has already **raised US\$2bn** and **invested in 21 start-ups**. The investment strategy is focused on start-ups aiming to **solve climate** related **problems** that can **benefit signatories'** own carbon reduction **efforts**.



Exponential Roadmap / 1.5°C Supply Chain Leaders

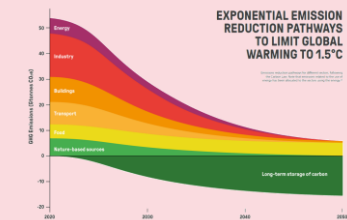
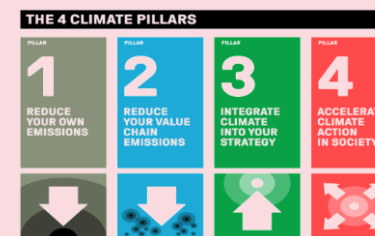
Initiative aim



- The 1.5°C Supply Chain Leaders is a cross-industry initiative founded by the Exponential Roadmap alongside **Ericsson, Telia, BT** and others, and collaborates with other initiatives such as the UN's Race to Zero
- Members are aiming to halve emissions before 2030 and **achieve net-zero before 2050**
- They have also created 'The SME Climate Hub' which **provides SMEs with climate action tools**

Evidence of impact

- All members have had to set targets to **halve absolute greenhouse gas emissions before 2030** and to reach net-zero emissions throughout their supply chains before 2050
- They have created a **playbook** that **helps companies to form their emissions reduction strategies** with tools and frameworks capable of helping them reach net-zero before 2050 when implemented
- They have told us they are **releasing a detailed impact report in March 2023** which will provide more insight into their recent success



ITU: Study group 5 – Environment, EMF and circular economy

Initiative aim



- The International Telecommunication Union (ITU) is the **UN specialised agency** for ICTs.
- The agency is made up of **193 member states and over 900 companies**, research institutes and international organisations.
- Study groups (SGs) develop recommendations for telecoms and **SG5 is responsible for Environment, EMF and circular economy**.

Evidence of impact

- Recent work includes **documenting the emissions and energy use of 150 of the world's leading tech companies**. This [report](#) also highlights best practices for companies trying to cut their emissions.
- Played a **leading role in creating the Regional E-waste Monitor for Latin-America**, which was the first regional monitoring effort on e-waste statistics, legislation and management infrastructure.
- Has formed an **alliance with the Global e-Sustainability Initiative (GeSI)** to provide information, resources and best practices for achieving sustainability through ICT.
- In 2022 the ITU indicated plans to publish **guidance and a methodology on how ICT companies should report sustainability enablement claims**.

SG5 members
& management:



NOKIA



Joint Audit Cooperation

Initiative aim



- The JAC is a telecoms industry specific initiative founded in 2010 that focuses on **worker related sustainability initiatives in telco supply chains**, improving working conditions and rates of fair pay.
- It exists to offer telco members increased oversight into working conditions at their suppliers by providing them with the **tools needed to audit and encourage corrective action themselves**.

Evidence of impact

- The telecoms **operators are mandated to conduct audits of their suppliers themselves and share the results** with other members.
- They benefit from increased oversight over their supply chain.
- They **publish an annual KPI report** that aggregates findings from all the audits completed during by members during the year.
- **They encourage 'Corrective Action Plans (CAPs)'** when issues are identified during an audit.
- The CAPs are **aimed at improving employee working conditions** across several axes, including health and safety, child and forced labour, working hours, fair wages and environment. In 2021, 16% of raised CAPs were related to environmental issues, such as environmental permit reporting, design for the environment, pollution prevention and climate change.
- **95% of the 5,145 CAPs** raised between 2010 and 2021 have been **successfully closed**.



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Overview of top 5 scoring companies

		Holistic sustainability reporting	Board and employee incentives	Public reporting on scope 1, 2, and 3 emissions	Green finance	Commitment to diversity and inclusion	Commitment to biodiversity	Enablement	Collaboration
1	Telefónica	5	4	4	5	4	3	3	4
2	Vodafone	5	3	4	3	4	2	3	4
3	BT	4	4	3	1	5	4	3	5
4	Verizon	4	3	4	5	2	3	3	4
5	KPN	4	4	4	3	2	2	3	4

Score 5 4 3 2 1

Telefónica: Best all-round performance

Criteria	Score
Structured sustainability reporting	5
Sustainability commitments and incentives	4
Public reporting on scope 1,2, and 3 emissions	4
Green finance	5
Commitment to diversity and inclusion	4
Commitment to biodiversity	3
Enablement	3
Collaboration	5

High score in sustainability reporting

- Telefónica has been reporting on its scope 1 and 2 emissions for more than 10 years, and achieved its 2020 sustainability targets two years ahead of schedule.
- Its goal to reach net-zero in scope 1 and 2 emissions by 2025, and including scope 3 emissions by 2040, is among the most ambitious in the industry.
- In 2021 it was on the CDP's "Climate A List" of 200 best practice companies for the 8th year in a row.

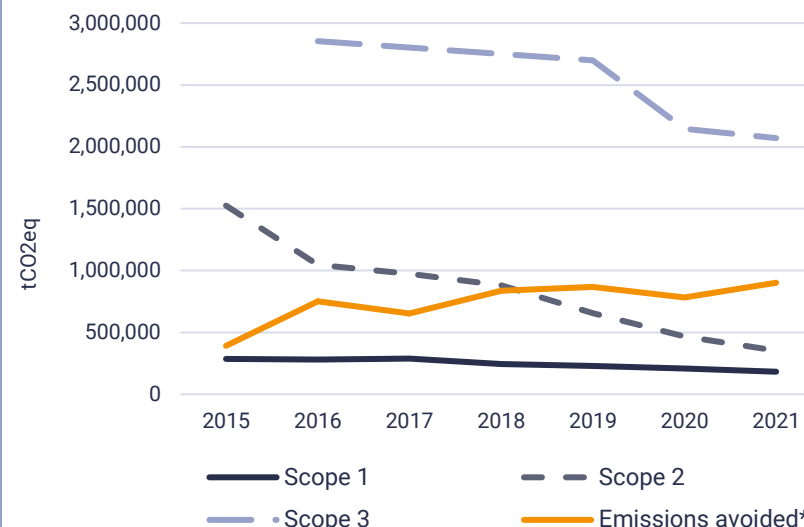
Industry leader in sustainable financing

- Telefónica was the first telco to launch a green bond, issued in January 2019. It was a 1bn bond and was 5x oversubscribed. It has since released three further green bonds in 2020 and 2021.

Forging a path in enablement

- Telefónica was one of the first companies to externally audit the environmental benefits of its B2B services. As of 2021, 52% of its enterprise services deliver a benefit to customers.

Telefónica's scope 1, 2, and 3 emissions



Read more in
our profile of
Telefónica



Vodafone: Advanced sustainability reporting

Criteria	Score
Structured sustainability reporting	5
Sustainability commitments and incentives	3
Public reporting on scope 1,2, and 3 emissions	4
Green finance	3
Commitment to diversity and inclusion	4
Commitment to biodiversity	2
Enablement	3
Collaboration	4

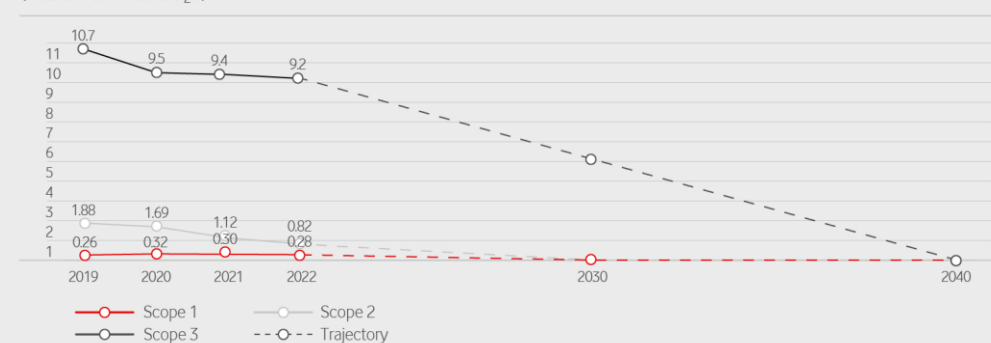
High score in sustainability reporting

- Vodafone has published sustainability reports that have been audited by a third party since 2011.
- The published ESG addendum contains detailed statistics on a range of ESG metrics related to the environment, diversity, responsible supply chain and more in an easy to use Excel format.

Reporting on emissions

- ESG addendum contains detailed reporting on scope 1 and 2 emissions, using both the location based and market based methods.
- 8 different kinds of scope 3 emissions have also been reported on.

Scope 1, 2 and 3 GHG emissions
(million tonnes CO₂e)



Diversity and inclusion made a priority

- Vodafone has made diversity and inclusion a priority and recognises that increases in diversity will ultimately have a positive impact across the businesses aims.
- In the ESG addendum, Vodafone provides statistics on the workforce make-up for gender, age and REACH (race ethnicity and cultural heritage) over the last four years.
- Vodafone also provides statistics on the company's gender pay gap.

BT: Extensive diversity and inclusion reporting

Criteria	Score
Structured sustainability reporting	4
Sustainability commitments and incentives	4
Public reporting on scope 1,2, and 3 emissions	3
Green finance	1
Commitment to diversity and inclusion	5
Commitment to biodiversity	4
Enablement	3
Collaboration	5

Sustainability commitments linked to directors' performance evaluation

- BT's directors have 10% of their annual bonus linked to 'Digital impact and sustainability'.
- The metric used is focused on the ambition of reducing carbon intensity by 87% by 2030. Notably BT performed best in terms of carbon intensity vs national grid intensity in our analysis.

Extensive diversity and inclusion report

- BT has published the most extensive diversity and inclusion report out of any of the companies in our scorecard.
- The report highlights how diversity and inclusion ties in with the overall business aims of BT, 'productivity, innovation and growth'.
- It includes data on workforce makeup for gender and ethnicity. BT was also the only company to release data on the ethnicity pay gap.

		2025 targets	As at 31 March 2022
BT Group (excl. Openreach)	Women	46%	34.9%
	Ethnic minority	16%	11.9%
	Disabled	14%	6.9%
Openreach	Women	12%	10.3%
	Ethnic minority	10%	9.4%
	Disabled	6%	6%
BT Group (total)	Women	32%	25.7%
	Ethnic minority	13%	10.8%
	Disabled	10%	6.5%
Board	Women	33%	36.4%
	Ethnic minority	2 members at least	2 members
	Disabled		
Executive Committee	Women	33%	36.4%
	Ethnic minority	2 members at least	1 member
	Disabled		
Senior Leadership teams	Women	41%	26.1%
	Ethnic minority	15%	8%
	Black/Black heritage	5%	0.0%
Senior Management teams	Women	41%	35.3%
	Ethnic minority	15%	10.4%
	Black/Black heritage	5%	0.8%
	Disabled	10%	4.5%

Environmental Management System (EMS) guides approach to biodiversity

- BT uses its EMS to help manage biodiversity impacts and monitor wildlife related incidents at sites.
- The internal environmental policy captures BT's long term vision to enhance biodiversity across its sites.
- BT has helped to ensure a pair of peregrine falcons at its Adastral Park site have been able to breed successfully.
- At the Henbury exchange, BT has begun planting trees to support Bristol City Council's target to double tree canopy coverage.

Verizon: Leading by example from the top down

Criteria	Score
Structured sustainability reporting	4
Sustainability commitments and incentives	3
Public reporting on scope 1,2, and 3 emissions	4
Green finance	5
Commitment to diversity and inclusion	2
Commitment to biodiversity	3
Enablement	3
Collaboration	4

Refining our methodology around criteria 2

- Since 2014, ESG factors (split equally between diversity, supplier diversity and carbon intensity reduction) have accounted for 5% of short term incentive rewards for Verizon employees. In 2020 this increased to 10% of the STI award for corporate employees – including for its CEO, Hans Vestberg.
- Since we published our first edition of the scorecard, we have tightened our methodology relating to the ‘commitments and incentives’ criteria. While Verizon clearly ties incentives to ESG (as stated above), it remains unclear how they apply to employees, and how “supplier diversity” relates to ESG.
- Meanwhile it does not report any long term sustainability linked incentives for the board.

Verizon performs well throughout

- In 2019 Verizon appointed a Chief ESG Officer, reporting directly into the board, supported by an Executive Climate Oversight Committee. This demonstrates its commitment to ESG.
- In 2020, Verizon aligned its reporting with the Sustainability Accounting Standards Board (SASB) and the Task Force on Climate-related Financial Disclosures (TCFD).
- By 2021, Verizon had issued three individual green bonds of \$1bn each.

Verizon SDG alignment



KPN: Strong reporting and incentive structure

Criteria	Score
Structured sustainability reporting	4
Sustainability commitments and incentives	4
Public reporting on scope 1,2, and 3 emissions	4
Green finance	3
Commitment to diversity and inclusion	2
Commitment to biodiversity	2
Enablement	3
Collaboration	4

High score in sustainability reporting

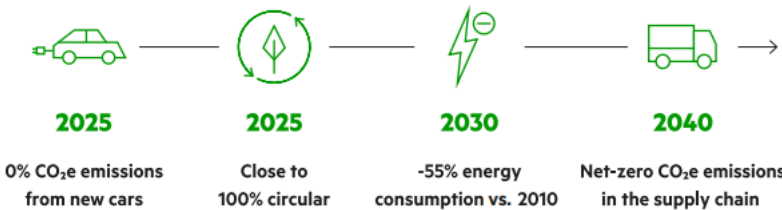
- KPN has dedicated a significant section of its integrated annual report to sustainability since 2013 and reporting has been audited by a third party.
- Reporting is done in line with the Global Reporting Index.
- Targets for net-zero by 2040 have been made across scope 1, 2 and 3 emissions.
- Sustainability is clearly integrated across company strategy and is a key part of the company's vision statement.

Effective incentives

- 30% of the targets for the LTI and non-financial, with 15% based on circularity and 15% based on reputation.
- Circularity was chosen to reflect the company's long-term sustainability ambitions.
- The on-target ambition for the performance period 2021-2023 on reuse and recycling was set at 85% versus a baseline of approximately 81% in 2020.

Participant in collaborative initiatives

- Part of the UN Global Compact, which is a sustainable development initiative with 21,218 members across 162 countries.
- Members pledge to contribute to achieving the UN's international sustainable development goals for 2030.
 - It has signed up to the Global Compact's 10 Principles.
- Member of the JAC, an association of telecom operators aiming to verify, assess and develop sustainability implementation across suppliers.



Appendix

Detailed company-level carbon intensity (2021)

Company name	Scope 1 (tCO2e)	Scope 2 (tCO2e)	Revenues (USD millions)	tCO2e/US revenue (\$m)	Reporting method	HQ grid carbon intensity gCO2/kWh
Telefónica	183231	353506	46,427	11.6	Market based	169
Vodafone	300000	2,070,000	53,878	44.0	Location based	270
BT	180799	554243	28,679	25.6	Location based	270
Verizon*	336831	3753660	133,613	30.6	Not specified	380
KPN	13100	215900	7,243	31.6	Location based	331
Orange	324023	978642	50,264	25.9	Not specified	58
Proximus	26600	52200	6,595	11.9	Location based	143
Google	45,073	6,576,239	257,637	25.7	Location based	380
Amazon	12110000	4070000	469,822	34.4	Not specified	380
Nokia	124300	377300	26,267	19.1	Market based	71
Bell	139187	136535	18,704	14.7	Not specified	128
Samsung	5726000	17579000	213,000	109.4	Location based	458
Microsoft	123704	4745197	168,088	29.0	Location based	380
Ericsson	38000	139000	27,088	6.5	Location based	12
Meta	78650	2860	117,929	.7	Location based	380
Apple	70000	Included in scope 1	365,820	.2	Location based	380
Deutsche Telekom	218731	4635217	128,601	37.7	Location based	354
TELUS	51175	204698	13,765	18.6	Not specified	128
Elisa	597	53,588	2,361	23.0	Location based	71
Telia	7400	5770	10,291	1.3	Market based	12
Swisscom	14429	0	12,231	1.2	Location based	47
SK Telecom	6133	1033861	16,468	63.2	Location based	458
AT&T	997,129	5,212,703	168,864	36.8	Location based	380
PCCW	6,548	186,406	4,904	39.3	Not specified	685
Sony	211000	984000	75,770	15.8	Not specified	479
Telenor	150409.79	943418.34	12,981	84.3	Location based	26
KDDI	25,420	1,475,724	49,574	30.3	Location based	479
Millicom	33,161	146,525	4,617	38.9	Location based	0
Cisco	26,694	579,445	49,818	12.2	Location based	380
MTN	289584	775018	12,285	86.7	Not specified	716
Telstra	8,224	1,042,491	17,361	60.5	Location based	531
Lumen	222,798	1,558,352	19,687	90.5	Market based	380
Optus	1,894	426,564	5,410	79.2	Market based	531
America Movil	299,494	2,190,890	48,377	51.5	Location based	400
Huawei	55,141	2,596,855	21,000	126.3	Not specified	544

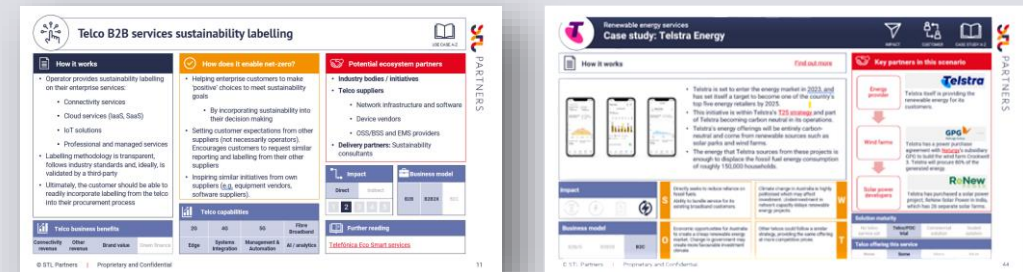
STL Partners' Sustainability Insights Service brings together tools and reports

- This research tool is part of STL Partners' Sustainability Insights Service, which aims to identify how the telecoms industry can drive growth through sustainability
- It is accompanied by an excel scorecard
- It builds on recent reports, as well as our [Telecoms net-zero enablement use case directory](#)

Previous reports



Telecoms net-zero enablement use case directory



Questions? Get in touch

Reach out directly to the authors with your questions



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