

SUMMARY EXTRACT

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 commitment and progress in reducing their own scope 1, 2, and 3 emissions, and in embedding sustainability as a priority across the organisation.

In this update, we have included a new methodology for calculating two of the most important criteria we are measuring against – holistic strategy and net-zero progress. Using our new methodology, we have built out recommendations for operators looking to progress in these two areas. Our recommendations are tailored to operators at varying levels of maturity in their sustainability journeys.



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

- This scorecard rates the sustainability credentials for telecoms operators and a selection of adjacent market companies
 - We include a handful of global technology, content, and infrastructure players to help telecoms operators understand where their strengths and weaknesses lie compared to them
 - Through eight criteria, we evaluate **72** companies' sustainability reporting, commitments to net-zero, biodiversity, 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 both their own and their customers' maturity in sustainability**, through taking inspiration from those that are further ahead in their journey
- It is accompanied by an excel tool with the full scorecard for all **72** companies

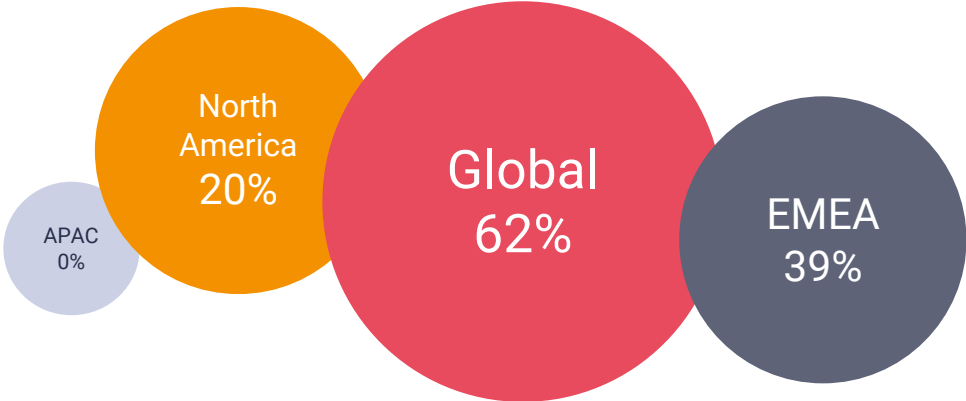
[Access the full sustainability scorecard in excel](#)

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

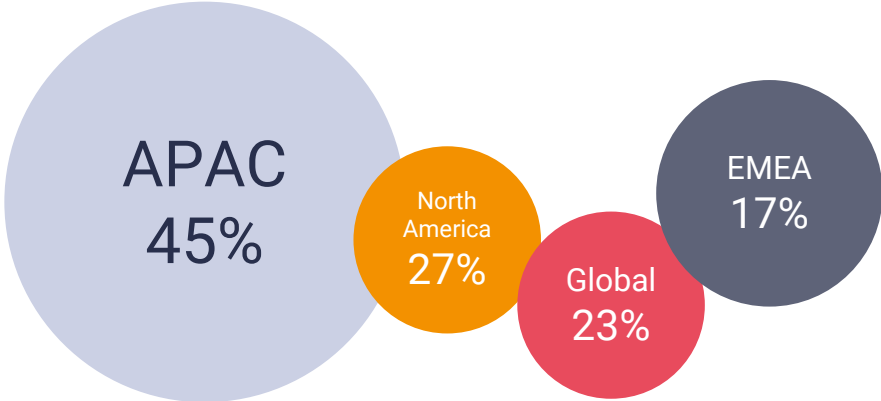
Company strategy	Company-wide management	Networks & operations	Finance	Corporate culture	Sustainability team	Consumer & enterprise BUs	Sustainability team
1	2	3	4	5	6	7	8
Holistic sustainability reporting	Board and employee incentives	Net-zero progress	Green finance	Commitment to diversity and inclusion	Commitment to biodiversity	Enablement of customers' reduction in CO2 emissions	Collaboration
<ul style="list-style-type: none"> Integrated across the company Consistency over time Ease of access 	<ul style="list-style-type: none"> Financial incentives for the 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 Measurable 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 from each region that make the top 20



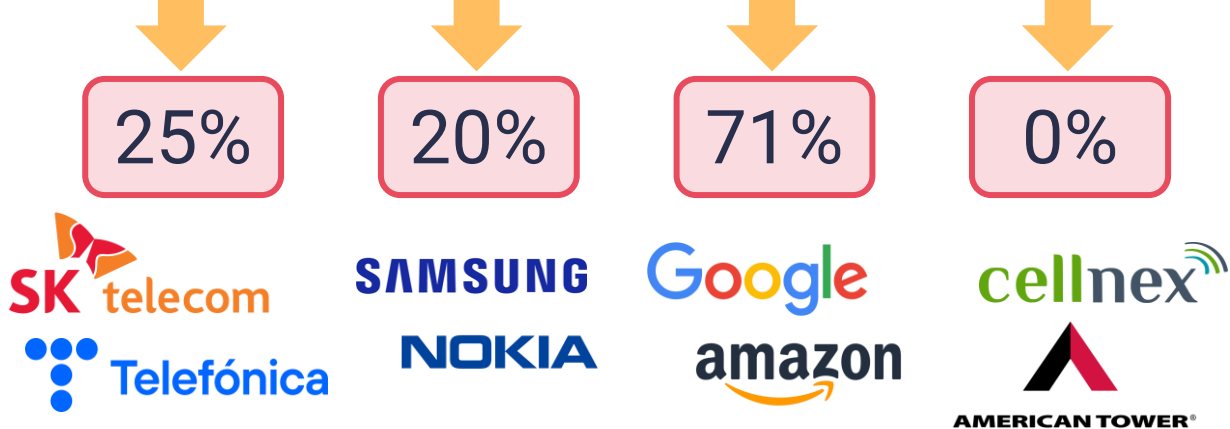
Percentage of companies from each region that are in the bottom 20



Breakdown by company type



Proportion of companies with top 20 scores



New in this update to the scorecard

Detailed analysis of holistic sustainability reporting (Criteria 1)

We have added nuance by breaking down our analysis of holistic sustainability reporting (Criteria 1) into **five sub-criteria**. The sub-criteria we have selected work together to give us a **strong indicator of how sustained and thorough a company's approach to sustainability has been**, particularly as it pertains to reporting.

The sub-criteria measure how long companies have been publishing sustainability reports, when their reports were first audited by a third party, the focus on sustainability in the CEO or chairperson's communications, the importance of sustainability in the company's annual report, and the granularity of data reporting.

Detailed analysis of net-zero progress (Criteria 3)

We have also chosen to refine our analysis of net-zero progress (Criteria 3). We have selected sub-criteria that not only **assess companies on their ambitions**, but also on their material **progress towards achieving those ambitions** and reaching net-zero.

Companies are scored based on their net-zero target, their tonnes of carbon dioxide equivalent (tCO2e) produced relative to their total revenue, the detail of their scope 3 reporting, and the degree to which they are putting circular economy principles into practice.



The result: Movement of the top 5

- This update has seen Vodafone move three places from 2nd to 5th in the rankings. It now sits below both BT, KPN and Orange.
- Additionally, Orange has entered the top five, moving up two places to 4th, replacing Verizon, which has fallen to 8th.

Overview of top 5 scoring companies

Executive summary

		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	BT	4	3	4	1	5	4	3	5
3	KPN	4	4	4	4	2	3	3	4
4	Orange	3	4	4	4	2	2	3	5
5	Vodafone	4	3	4	3	4	2	3	4

Score 5 4 3 2 1

The scorecard is also presented as an excel dashboard with full scoring details for all companies

STL PARTNERS
STL Partners Sustainability Scorecard
Data updated: May 2022

This Excel spreadsheet is the dataset supporting our sustainability scorecard which is available for download for our sustainability insights service subscribers.

STL Partners has leveraged publicly available data to provide a tool to benchmark the performance of a selection of companies against seven sustainability-related criteria. It is designed to highlight the areas in which the listed companies are more and less mature in their sustainability strategies. The companies listed includes telcos and small selection of others in adjacent industries (technology, infrastructure).

This tool supports telcos and their partners to:

- Benchmark sustainability performance against competitors
- Understand areas of relative strength
- Highlight areas that require greater focus in order to guide future sustainability strategies

Scoring criteria
The seven sustainability criteria against which companies are scored against

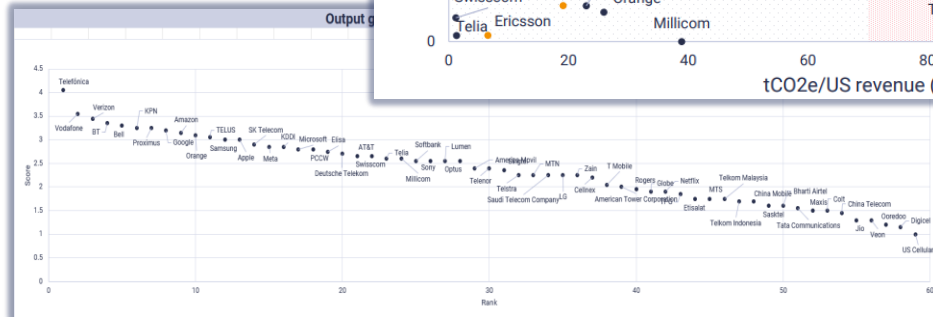
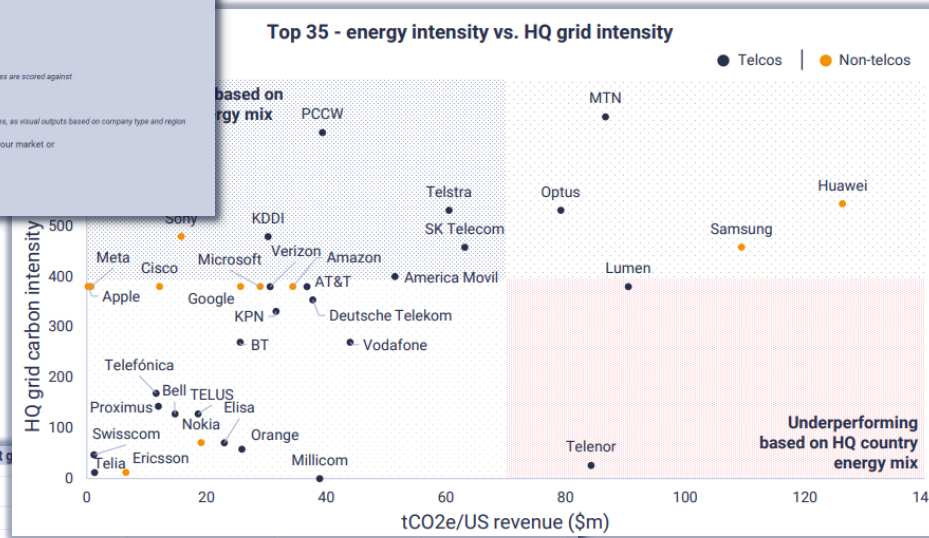
Company list and scores
Full scoring details for each company

Company rankings
Complete ranking for each company

Key charts
Data outputs based including full ranking of 45 companies, as visual outputs based on company type and region

If you have any questions on the scorecard, including our methodology, assumptions, scoring rationale, or what is means for your market or organisation, please do get in touch with our authors:

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Company ranking			15%	15%	15%	15%	15%	5%	20%	
Ranked companies	Region	Company type	Average score per criteria							Weighted total average
			Structured sustainability reporting	Sustainability commitments and incentives	Public reporting on scope 1,2 and 3 with associated emission reduction targets	Green finance	Commitment to diversity and inclusion	Commitment to biodiversity	Enablement	
1	Telefónica	Global	Telco	✓	✓	✓	✓	✓	✓	4.05
2	Vodafone	Global	Telco	✓	✓	✓	✓	✓	✓	3.55
3	Verizon	N.America	Telco	✓	✓	✓	✓	✓	✓	3.45
4	BT	EMEA	Telco	✓	✓	✓	✗	✓	✓	3.35
5	Bell	N.America	Telco	✓	✓	✓	✓	✓	✓	3.3
6	KPN	EMEA	Telco	✓	✓	✓	✓	✓	✓	3.25
7	Proximus	EMEA	Telco	✓	✓	✓	✓	✓	✓	3.25
8	Google	Global	Technology	✓	✓	✓	✓	✓	✓	3.2
9	Amazon	Global	Technology	✓	✓	✓	✓	✓	✓	3.15
10	Orange	EMEA	Telco	✓	✓	✓	✓	✓	✓	3.1
11	TELUS	N.America	Telco	✓	✓	✓	✓	✓	✓	3.05
12	Samsung	APAC	Telco	✓	✗	✓	✓	✓	✓	3
13	Apple	Global	Technology	✓	✓	✓	✓	✓	✓	3
14	SK Telecom	APAC	Telco	✓	✓	✓	✓	✓	✓	2.9
15	Meta	Global	Technology	✓	✗	✓	✓	✓	✓	2.85
16	KDDI	APAC	Telco	✓	✓	✓	✗	✓	✓	2.85
17	Microsoft	Global	Technology	✓	✗	✓	✓	✓	✓	2.8
18	PCCW	APAC	Telco	✓	✓	✓	✓	✓	✓	2.8
19	Elisa	EMEA	Telco	✓	✓	✓	✓	✓	✓	2.75
20	Deutsche Telekom	EMEA	Telco	✓	✓	✓	✓	✓	✓	2.7
21	AT&T	N.America	Telco	✓	✓	✓	✗	✗	✓	2.65

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](#)



Questions? Get in touch

Reach out directly to the authors with your questions



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