

Carbon Reduction Plan – Telefónica Tech UK & I

Organisation Name:

Telefónica Tech UK & I, Incremental and Adatis (herein referred to as 'Telefónica Tech')

Publication Date: 21.12.2023

Version: 1.4

Commitment to achieving Net Zero

As an organisation Telefónica S.A. has committed to achieving Net Zero for scope 1, 2 & 3 emissions by 2040, targets, validated in August 2022 by the Science Based Targets Initiative (SBTi). This commitment requires a 90% reduction in emissions across scope 1 & 2 and scope 3 by 2040, measured against a 2015 / 2016 baseline.

In support of these commitments Telefónica Tech has undertaken to baseline its current emissions (based on financial year 2022) and create a carbon reduction plan in line with the 2040 target of the parent company for scope 1 & 2, it will endeavor to include scope 3 by 2040 and commit to reach scope 3 by 2050.

To achieve this Telefónica Tech has engaged a specialist sustainability consultancy to provide independent assessment and analysis and to assist in developing the carbon reduction plan for the business.

Baseline Emissions Footprint

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced before the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured.

Telefónica Tech is using its 2022 data (1/1/22, to 31/12/2022) as the baseline year for this carbon reduction plan.

The main KPIs used in the carbon reduction plan will be scope 1 & 2 emissions and scope 3 emissions per FTE.

Collation of scope 3 data is incomplete at the time of issuing the plan and an additional KPI figure will be added at a later stage as noted below.

Adatis and Incremental carbon emissions will be added for 2023.

Key Metrics / KPIs

As a key metric for tracking progress, the baseline (2022) scope 1 & 2 figure per FTE was established as **960 kg CO₂e**.

The figure scope 1 & 2 for Adatis and Incremental and all companies for scope 3 per FTE has not yet been established but will be included in an updated version of the plan.

(Note – According to government projections scope 2 emissions should decline by 89% from 2023 to 2040 due to decarbonisation of electricity supply, however reductions should still be planned where possible).

Current Emissions Reporting – First Baseline Year: (1/1/22, to 31/12/2022)
Additional Details relating to the Baseline Emissions calculations.

Scope 1, 2 and selected scope 3 emissions were calculated for the baseline year of 2022 based on primary data collected by the company and by suppliers on their behalf. Additional scope 3 emissions will be added in the future and the reporting will also be extended to include additional subsidiary companies.

	2022
Scope 1 Emissions	
Direct Emissions	
Use of Company Cars (kg CO ₂ e)	3,152
Total scope 1 emissions (kg CO₂e)	3,152
Scope 2 Emissions	
Emissions from Energy supply	
Electricity - Offices (kg CO ₂ e)	570,824
Natural Gas - Offices (kg CO ₂ e)	18,640
Total scope 2 emissions (kg CO₂e)	589,465
Total Scope 1 & 2 emissions (kg CO₂e)	592,617
Scope 3 Emissions	
Travel, Home Working & End User Computing (EUC) Devices	
Commuting	488,567
Business Travel	76,683
EUC Devices in Use (annualised)	79,037
Home Working	69,381
Total scope 3 emissions for above categories (kg CO₂e)	713,668
Total Scope 1,2 & 3 selected emissions (kg CO₂e)	1,306,286
Key Ratio: scope 1 & 2 kg CO₂e per FTE	960

Emissions reduction targets

At a company level, in order to continue Telefónica S.A.'s progress toward achieving Net Zero, Telefónica Tech has adopted the following carbon reduction targets.

- To reduce overall company baseline scope 1 and 2 emissions by 90% to 59,262 kg CO₂e or less by 2040
- To reduce overall company baseline scope 3 emissions by 90% (value to be determined) by 2040
- To achieve Net Zero status for scopes 1,2 & by 2040 and scope 3 by 2050
- To produce zero waste to landfill from all our facilities by 2040

Carbon Reduction Aims & Projects

Telefónica Tech's high-level environmental objectives are to:

- Reduce energy usage.
- Reduce overall CO₂e emissions.
- Reduce emissions from commuting & business mileage.
- Reduce emissions from services delivered to clients.
- Reduce waste.
- Reduce supply chain emissions.

The following projects and measures have been identified as areas for investigation under the carbon reduction plan:

- Calculate the carbon footprint for additional business units within the company (Incremental and Adatis) to add these to the baseline figure
- Review supply chain to calculate scope 3 emissions and ensure all key strategic suppliers provide ongoing metrics and reporting and match Telefónica Tech's Net Zero and carbon reduction plans
- Review the use of company cars to encourage use of hybrid and / or electric vehicles
- Review Data Centre Energy (Consumption, Efficiency & Energy Source) to reduce consumption and emissions – Currently responsible for 81% of scope 1 & 2 emissions and 36% of the total calculated emissions
- Review Commuting (Frequency & Method) to encourage use of lower carbon modes of travel - Currently responsible for 37% of the total calculated emissions
- Review Business Travel (Frequency & Method) to encourage use of lower carbon modes of travel - Currently responsible for 6% of the total calculated emissions
- Undertake a structured programme of employee engagement to ensure active participation / identify champions and spread best practice
- A commitment to a greener property footprint

From a broader ESG perspective Telefónica Tech is committed to encouraging best practices in sustainability and to regularly review our performance. Our values ensure we are a good corporate citizen and strive to:

- Protect human rights, the environment, health and safety.
- Show effective energy management and pro-actively fight against climate change.
- Develop and implement efficient use of resources.
- Drive diversity, equal opportunities, tax responsibility.
- Encourage the prevention of illegal behaviour and encourage the fight against corruption.

To ensure compliance to our commitments, Telefónica Tech shall:

- Promote responsible sourcing of resources from our key suppliers.
- Promote the use of appropriate and recognised standards for environmental management with our key suppliers.
- Continuously review and challenge our environmental targets and objectives in order to reduce our environmental and climate impact.
- Engage with staff through the programme and communicate regularly that it is the responsibility of all Telefónica Tech team members to support sustainability initiatives and targets.

Above data correct as of 20.11.2023

Declaration and Sign Off


This Carbon Reduction Plan has been completed in accordance with PPN 06/21 and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard¹ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting².

Scope 1 and scope 2 emissions have been reported in accordance with SECR requirements, and the identified subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard³.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Company:

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Chris Brookes, VP of Business Operations, Telefónica Tech

Date: 21/12/2023