

# Nachhaltige Digitalisierung@ DTAG

31. Mai 2023, Bern Melanie Kubin-Hardewig, SVP Group Corporate Responsibility, Deutsche Telekom AG





# ESG requirements & expectations will gain tremendous momentum 2023-2024

- Climate Crisis and Social
   Divide are not only showing
   its effects directly but also in
   terms of requirements for
   companies going beyond the
   EU Green Deal.
- KPIs, reporting demand and depth is growing exponentially in the coming years
- Digital product requirements are tailored to meet green & social needs with overlapping regulations

 Legal standards on Ratings to become even more demanding to differentiate Additional global standards: TNFD<sup>1</sup>, SBTN<sup>2</sup>... ...more to come through FIT FOR 55: bringing Green Deal targets into binding in Legislation 2024: 1st reporting year CSRD3 (report in '25) Initiative on green substantiated claims Sustainability Indicators for Electronic, Communications and Networks Energy Efficiency law Deforestation Free Supply Chain EU ECO Design Directive Right to Repair LKSG Germany EU due diligence directive (CSDD) EU Social Taxonomy - open EU Taxonomy 3+6 EU Taxonomy 1+2

# Leading Digital Telco embraces sustainability

# Grow Lead in digital life & work Lead in business productivity Magenta Advantage Software-defined, secure, global Best convergent networks+ New business models & perfect service networks, IoT & digitalization based on DT assets Build & scale Telco as a platform Cloud-based customer and network-service platforms Best-in-class integrated network infrastructure – DT & partners **Save for growth investments** Simplify, digitalize, accelerate & act responsibly

# Our ESG-based strategy with our key ambitions

# ENVIRONMENT

# BUILDING A CLIMATE NEUTRAL FUTURE

Leading the way with net-zero GHG emissions by 2040 and enabling customers and society to follow towards net-zero

# STRIVING FOR FULL CIRCULARITY

Becoming fully circular around technology and devices by 2030 along the whole value chain

# SOCIAL

# BEING THE BEST TEAM IN THE INDUSTRY

Becoming an employer of choice, promoting diversity equity & inclusion (DE&I) in our teams and investing into future skills

# SHAPING THE DIGITAL SOCIETY

Overcoming the digital divide and enabling society, while making the digital world a safe and tolerant space for everyone

# GOVERNANCE

### GOOD CORPORATE CONDUCT & INTEGRATED INTO STRATEGY, TARGETS AND GOVERNANCE SYSTEMS

You manage what you measure – constant steering & measuring of progress towards sustainability targets

# Our carbon footprint & targets for DT Group

# **CLIMATE AMBITIONS**



(in line with SBTi\* requirements)

2021 Renewable electricity



2025 Reduce direct and indirect emissions from within our company to net-zero (Scope 1-2)

2030 Reduce Scope 1-3 Emissions by 55% against 2020 by 2030.

2040 Climate-neutral company
Reduce Scope 1-3 Emissions to Net Zero

NEW (with at least 90% reduction)

### **NET-ZERO REDUCTION PATHWAY**

All Scope 1+2 emissions will be set climate neutral through offsetting from 2025 & Scope 3 as of 2040.



<sup>\*</sup> Interim objective

<sup>\*\*</sup> excluding emissions generated during the utilization face of our solutions by devices that our customers purchase from 3<sup>rd</sup> party and not from DT



# The climate and resource impact of digitization

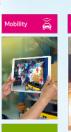
### Digitization is told to enable significant climate and resource savings

The enabling potential of digitization is estimated to 10% and even 20% on CO<sub>2</sub> savings as well as significant resources and materials reduction.

Smarter 2030 studies show, that digitization is a significant contribution to reach the SDGs (> 50%)

Bitkom climate study: CO2 savings potential through digitization is enormous













### But digitization needs to be green within itself to avoid negative impacts and rebounds

- The sector is already at 1,8-3,9% of worldwide energy demand\*
- Estimated to be up to 20% of worldwide energy consumption in 2025 for industry due to AI and blockchain\*\*
- Digitization intensifies the need for central and decentral data center architecture (cloud, edge etc.) and drives resource needs for energy, hardware and water
- Waste handling for digitized products still underdeveloped in terms of circularity

Significant technology innovations needed to drive a green digitization

<sup>\*</sup> Overtaking flight sector, place 3 if it was a country – supposed to grow to 8-12% in next years

<sup>\*\*</sup> climate data news

# How we measure our impact from digital solutions

x 3.8

# Digitization is a key enabler for sustainability

DT's enablement factor

3,8x more CO<sub>2</sub>e

avoided than emitted

17.5 mn t CO<sub>2</sub>e

avoided (DE only)

DT CO<sub>2</sub> emissions (Scope 1-3 in mn t CO<sub>2</sub>e)

CO<sub>2</sub> emission reductions enabled for DT customers (in mn t  $CO_2e$ )

DT offers a variety of up to 35 different ICT solutions with dedicated impact measurement, e.g.

### **Sustainability Management Systems**

"Nachhaltigkeitsmanager", Syrah SDG Suite

### **Industry Solutions**

Airport Collaborative Decision Making, Remote Maintenance, Smart Advertising, Videoconferencing

### **Smart Building & Energy MGT.**

Partnering with different solutions on smart metering, waste and other aspects

Using Sustainability Labels & Eco Rating as standards in front of customers:









**Eco Rating** 





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# We broaden our B2B portfolio already today

### **IT AND NETWORKS**





**Climate neutral Data Center** 

### **DEVICES**





### **PRODUCTS**





# "Enabling" requires energy efficient networks & green DCs

# We will double our energy efficiency!

... to counterbalance effects of data traffic increase of > 25% p.a. and densification

### **Electricity consumption per region TWh**





Recently PSTN, near-term future SDH, long-term switch from BNG to A4 & potential copper platform retirement



### **MODERNIZE**

- Technology updates
- 3G frequency re-use for 4G/5G
- Cloud transformation in NT/IT



### INNOVATE

Network measures, including site sharing & Al steering

### **Green Datacenter**



Reduction of datacenters: from 89 (2012) to 24 (2017) to 16  $\rightarrow$  savings of 53% CO<sub>2</sub> emissions;



Level Gold LEED<sup>1</sup> certified for manufacturing of datacenters in Biere & Magdeburg



Member of Climate Neutral Datacenter Pact



Included in the EU Code of Conduct List; Listing of 75% internal datacenter



Our most efficient data center with a PUE factor of 1.3 (the average global PUE factor at our T-Systems data centers from 1.85 (2008) to 1.59 (2022)



# **THANK YOU!**

**VP GCR** 



Melanie Kubin-Hardewig



