How CO2 emissions became the new currency for Deutsche Telekom with

Sievo

Reading time: 7 minutes

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Factsheet

" **We are gaining visibility of our supply chain emissions by using Sievo CO2 Analytics** – making sustainability reporting simple and enabling our whole organization to take action in reducing emissions.

STEFAN NIESLER

Senior Expert Procurement
at Deutsche Telekom

Our Procurement Game Changer

Carbon neutrality is a topic close to Stefan's heart. He loves hiking, the woods, and sailing – all affected by climate change. Stefan has been at Deutsche Telekom since 2014, and part of their internal green pioneers' network to find ways integrating sustainability into their daily work.

**This
case study
highlights**

CO2 Analytics

**Other Sievo Solutions
in use by Deutsche
Telekom:**
Spend Analytics,
Payment Terms,
PO Analytics,
Contract
Compliance

Life is for sharing.

Global telco organization headquartered in Bonn, Germany with 108+ billion EUR revenue.

Present in 50+ countries, 240+ million customers and 200 000+ employees worldwide.

Pioneer of social issues such as climate protection, data privacy, and diversity.

Factsheet

Results with Sievo

- ✓ Deutsche Telekom got one single source of Scope 3 emissions truth, with weekly automated data extraction, enrichment and emission mapping.

- ✓ 160B+ EURO spend from 30+ data sources mapped to carbon data.

- ✓ Sievo CO2 Analytics was successfully implemented in 3 months.

- ✓ 500+ users have direct access to Sievo. Monthly, 2000+ logins by their Procurement, Sustainability and Finance teams.

- ✓ Holistic view into Scope 3 emissions with drill down ability to their 5-level taxonomy (total of 521 categories).

- ✓ Automatically calculated carbon footprint of their supply chain via multiple different emission calculations methods, including spend-based calculations, primary supplier data and supplier information from CDP.

- ✓ Flexibility to continuously improve carbon footprint accuracy.

- ✓ They can share their Scope 3 information to investors, customers, and suppliers to the detail. Linking emissions insights to the company's financials.

- ✓ Carbon emissions became Deutsche Telekom's second currency.

- ✓ No manual spreadsheet work and freed-up time to focus on their Sustainability strategy.

- ✓ Improved supplier collaboration via direct access in Sievo to suppliers' sustainability targets and information.

Challenge

Deutsche Telekom aims to be the industry-leading *and* the industry-changing figure. One of their many initiatives is committing to decarbonization targets aligned to Science Based Targets:

55% of carbon emissions reduced by 2030

Climate neutrality by 2040 along the supply chain **Scope 3**

The sustainability team is not solely responsible for driving the company's sustainability strategy forward and achieving set targets. Like in many global companies, when it comes to the Scope 3 emissions, Deutsche Telekom's procurement team is in charge of the most significant portion: 98,5% of the company's carbon footprint.

Both Procurement and Sustainability teams need accurate data to speedily and strategically tackle Scope 3. Deutsche Telekom knows that the best way to reduce emissions is by collaborating with their biggest suppliers, driving collective action, and ensuring transparency in a significant segment of their emissions profile. The team learned that not only was it impossible to calculate supply chain emissions via spreadsheets, but it also created a static view and lack of alignment within the organization.

Deutsche Telekom needs accurate and up-to-date data on their suppliers, spend, and emissions, with the ability to manage it. To achieve effective collaboration between functions and with their suppliers, there must be one source of truth for the whole organization.

> " If you were to ask two years ago what our carbon footprint is, you would have gotten 50 different answers. Now we show it with Sievo – which is a great value to supercharging cross-functional communication."

STEFAN NIESLER
Senior Expert Procurement
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Solution

To get a single source of truth for Scope 3 emissions, Deutsche Telekom partnered with Sievo. Sievo CO2 Analytics automatically extracts, enriches, and maps the company's procurement data to carbon data. The tool helps Deutsche Telekom to understand their supply chain emissions and suggests insights on data quality improvements and decarbonizing opportunities.

Starting with spend-based and quantity-based calculations for most, the team is constantly working on their carbon footprint accuracy by using CDP data to find industry emission factors for their suppliers.

Deutsche Telekom's Sustainability team can add any custom specific factors from their suppliers directly into the system. This level of granularity enables more informed decision-making, fueling company's targeted sustainability initiatives. Suppliers are key in tackling Scope 3 emissions. That is why Deutsche Telekom focuses on collecting supplier-specific factors

> "It is great to have a breakdown of our suppliers' sustainability targets, so we can see where we would end up at a certain year. This is something which has usually been taking a lot of time, now it's 50x faster by just opening Sievo."

STEFAN NIESLER
Senior Expert Procurement at Deutsche Telekom

and identifying hot spots in categories, regions, and suppliers to better understand their suppliers' sustainability performance and consider it part of the evaluation criteria when choosing their suppliers.

Suppliers who also committed to Science Based Targets are visible in Sievo CO2 Analytics, giving Deutsche Telekom a direct comparison of their emissions and reduction targets.
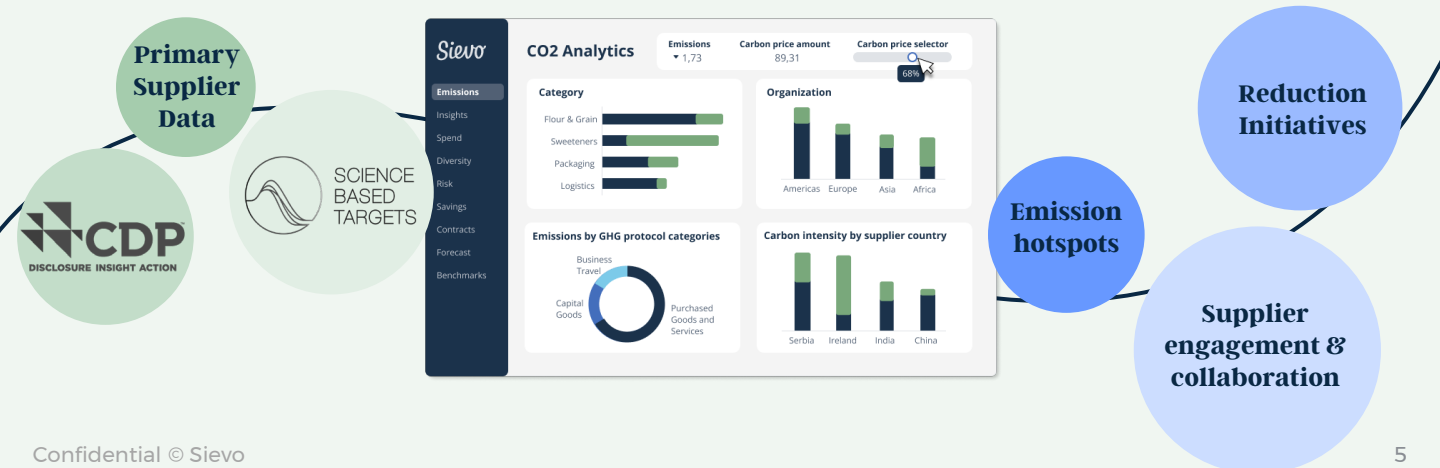
Results

> **"** Coming from someone who has also done manual Excel work in the past, having the emissions data in a structured overview and able to drill down to analyze further, is the best thing we have."

Sievo CO2 Analytics has become the single source of truth for Deutsche Telekom's supply chain emissions, with Procurement, Sustainability, and Finance teams accessing it 2000 times per month. Now, the company has a holistic overview of their Scope 3 emissions with the ability to drill down into emission hotspots. CO2 Analytics solution gives the team complete control in mapping and calculations, as well as comprehensive visibility in emissions development over time and target performances.

Without manual work and freed-up time, Deutsche Telekom can prioritize their sustainability strategy in a realistic manner and focus on decarbonization with suppliers. One of the radical changes that the team finds necessary after understanding their Scope 3 emissions is the need to make contracts based on carbon reduction.

Creating binding agreements based on suppliers' sustainability and their targets is the way for Deutsche Telekom to half their emissions by 2030 and become climate neutral in scope 3 by 2040.

> **"** First, it was spend. Now CO2 emissions is the new currency. If we are discussing about the final price of a product, we talk about how it can help us reduce emissions and financials."

STEFAN NIESLER
Senior Expert Procurement at Deutsche Telekom

We're Sievo

The procurement and carbon management analytics solution for data-driven enterprises.

We give procurement, sustainability and finance leadership teams a single source of truth and radical transparency to all sourcing decisions, from choosing the right suppliers & delivering both financial and emission savings to enabling a sustainable, diverse and resilient supply base.

We master the art of extracting, classifying, enriching and visualizing procurement and carbon emission data into actionable insights! Sustainable Procurement organizations need an analytics partner they can trust. We're large enough to deliver, small enough to care.

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