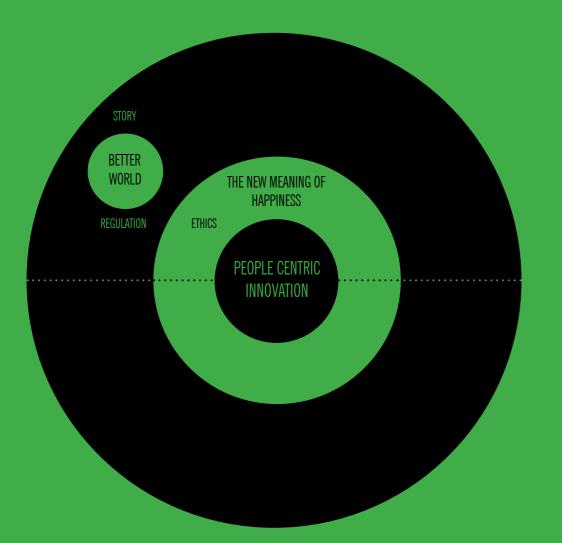
BETTER WORLD



NEED STATES

ETHICS: BETTER WORLD

To be simply **caring** as a company is no longer **enough**, it is already the new norm. For companies to stand out in this space, they must **drive new regulations** by showing leadership in **sustainable innovation** as well as **social responsibility**.

<u>CREDITS</u>

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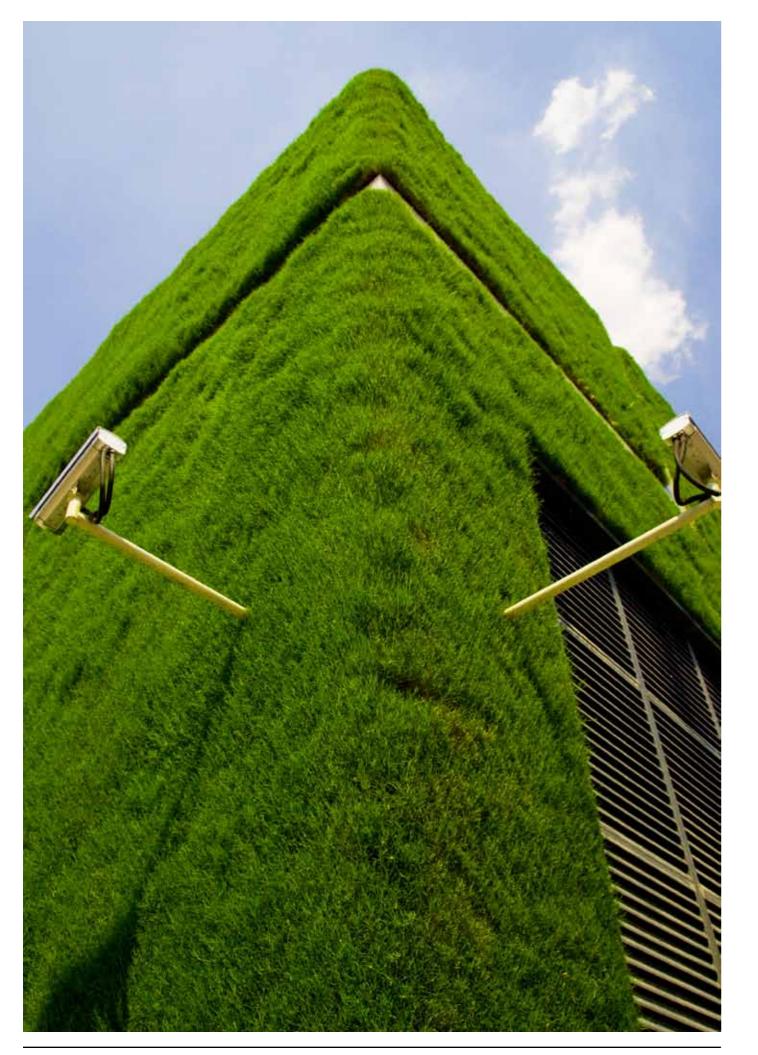
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"BE THE CHANGE YOU WANT TO SEE IN THE WORLD."





NEW DEFINITION

2010: Demands for openness, sustainability and social responsibility have been continually increasing. Being a caring company at every level is essential. People will continue to expect companies to adopt the most ethical and sustainable attitude possible.

2010+: It is not enough anymore just to be a caring company and sustainability is no longer optional; it has become a given. For companies to stand out in this space, they must show leadership in sustainable innovation, as well as social responsibility.

Engaging the consumer directly in a product's journey, resonates with people's need to take action. This means brands must become skillful at telling engaging stories about sustainability.

Companies cannot simply talk about sustainability, but must **illustrate** how they **practise** it. Smart brands take a lead, influencing future policies by actively working towards a BETTER WORLD. Consulting the consumer and inviting them to engage actively with the process can create strong bonds between the brand and the emotionally-charged consumer.

There has been a steep change in the last three years in the way people understand sustainability. According to Dr Aileen Ionescu-Sommers, Deputy Director, Forum for Corporate Sustainability Management at IMD Business School, these changes are:

Risk -> Opportunity Denial → Recognition Sidelines → Mainstream Selling the Business Case -> Getting Things Done

• Sustainability and CSR is now a top priority on the corporate agenda.

With both industry and consumer subject to tight budgets, there is a strong opportunity to be found in Frugal and Green Innovation. People everywhere are increasingly drawn to techno-austerity: cheap, stripped-down products created for the developing world are being readily snapped up by consumers in the developed world. New energy and green entrepreneurs are thriving by creating bottom-up green businesses and taking the route of sustainable leadership.

"It is not enough anymore just to be a caring company."









INSPIRATIONAL SOURCES

- Cradle to Cradle, Remaking the Way We Make Things by Michael Braungart & William McDonough calls for a new kind of ecological consciousness, designing from the ground up for both eco-safety and cost efficiency.
- Getting more value out of sustainability reporting, Global Reporting Initiative: . a report written for companies to help them improve relationships with stakeholders by better measuring, managing, and reporting of their contribution to socially and environmentally sustainable development, thereby demonstrating good corporate governance.
- The Living Company by Arie de Geus states that the most enduring companies see . themselves as 'living work communities' not pure economic machines.
- Ecological Intelligence by Daniel Goleman: How knowing the hidden impacts of • What We Buy can change everything.
- Design is best when it is about lifecycle not lifestyle: design has created a world full of 'designer flotsam and jetsam' that is swilling around or embedded into or above our planet; poorly designed products, unwanted solutions, unfriendly materials, and a multi-choice of artefacts that are discarded as quickly as they were adopted. David Report, March, 2010
- Charter for Compassion led by Karen Armstrong urges people and religions • around the world to embrace the core value of compassion. The idea was put forward at TED 2008 and unveiled in November 2009. http://charterforcompassion.org

"Design is best when it's about lifecycle not lifestyle."



1. Campana Brothers' limited edition Cartoon chair 2. Design By Committee - The Kebab Lamp 3. Smile Plastics - Recycled mobiles







FACTS, FIGURES & INSIGHTS

- Executives' bonuses tied directly to how well they have met sustainability goals; e.g. AkzoNobel, a Dutch paint and chemical company: top 600 managers in company must consider if they have been effective in reducing greenhouse gas emissions and if they have developed more innovative and environmentally-friendly products than the competition. Good Blog, 10th March, 2010
- Green Chemistry and Biotechnology: industrial biotechnology uses agricultural feedstock, rather than petroleum-based ones, to produce chemicals, plastics and fuels. The World Economic Forum believes 'biorefineries' will create new markets worth almost \$300bn by 2020. The Economist, 3rd-9th July, 2010
- The annual turnover of the UK recycling sector has more than doubled since 2001 to £1.3 billion. *http://www.wrap.org.uk*
- Brazilians are among the world's most assiduous recyclers. In plastic bottles, for • example, only Japan recycles more than Brazil. In aluminium too, Brazil is out in front, recycling 96.5% of all cans sold, which in 2007 came to an astonishing 11.9 billion, equivalent to 1.4 million an hour. It's the same story in glass and steel. Forum for the Future, Green Futures Article, 15th March, 2010
- Over a third (38%) of all respondents (men and women) notably among the 25-• 34-year-olds - will be concerned about community values. Consumer Attitudes Audit 2010 report by Future Poll in LS:N
- 900,000 adults in the UK do not have access to simple financial products. Over the past four years in the UK, Barclays has opened 800,000 basic current accounts, finding new customers, who would ordinarily be outside the banking system. Financial Times, 14th June, 2010
- UK aid will increase each year to 2013. The government has agreed to an • international pledge to lift official aid spending from about 0.5% of gross national income today to 0.7% by 2013. The Economist, 12th-15th June, 2010
- The campaign Giving Pledge launched by Warren Buffett and Bill Gates on 16th • June, 2010. They are asking hundreds of American billionaires to give at least 50% of their wealth to charity. Those who commit to donate at least half their fortune during their lifetime or after their death have been asked to publicly state their intention with a letter explaining their decision. Michelle Nichols, Warren Buffett, Bill Gates ask billionaires to give away wealth, 16th June, 2010, reuters.com http://tinyurl.com/2add6dr

Rag chair for Droog by Tejo Remy, Photographer: Robaard/Theuwkens (Styling by Marjo Kranenborg, CMK)



MICRO TREND: STORY

With nearly all companies claiming to be serious about sustainability, the brands that will stand out are those that can engage people. Consumers want to know how things are made. They want to form an emotional connection with the goods they are buying. They want to know the full STORY.

There has been a shift beyond merely relaying facts and professing openness to being able to tell stories that are compelling, most often visually so. Brands will have to show a caring attitude to build their cultural capital. Companies that are already setting the benchmark in this space are Tom's Shoes, Patagonia and Innocent - all brands with a strong CULTURAL LEGACY. So, an aspect of the STORY is Tracking, Tracing and Open Days. Businesses invite the consumer to experience the business hands-on and encourage people to partake in the brand's culture. A product's whole lifecycle will have to be revealed, from the maker to the consumer and back to the maker, where it is skillfully recast.

Consumers are becoming used to engaging with transparent companies and they now expect these same ethical and sustainable approaches to be in place in leading brands, whatever their size or history. People and brands take their culture wherever they go; in whatever they do they leave a footprint - their cultural footprint. Therefore consumers want brands' cultural footprints to be **brought to life** in meaningful and emotionally engaging ways.

"Whatever they do they leave a footprint - their cultural footprint."

Considered construction - Studio Lo's

2

Sustainable use of local resources - http://www.lottevanlaatum.nl/



MICRO TREND STORY: FACTS, FIGURES & INSIGHTS

- Traceability is an important aspect of story-telling. The EU estimates that 20% of wood comes from illegal sources; in reality it is probably much higher. Financial Times, 14th June, 2010
- Innocent Smoothies aims to be a leader in many aspects of sustainability. • In 2009, it saved over 300 tonnes of packaging by making things lighter. Sustainable packaging, innocentdrinks.co.uk - http://tinyurl.com/3777rqy
- NOKIA 'Eco Profiles': every new Nokia device to have an eco profile, which • will include info on device's energy use and greenhouse gas emissions. Eco Profiles, nokia.com - http://tinyurl.com/34hncf4
- Coca Cola App Trace your Coke: helping consumers know what • they are drinking. *Trace your Coke, cokecorporateresponsibility.co.uk* http://tinyurl.com/2wabyae
- Since 2005 Coca Cola and USAID have committed \$28.1m to support 32 projects • in 22 countries worldwide. Verdict Research Newswire, 22nd March, 2010
- Where Does My Money Go? An easily accessible online resource provided by the Open Knowledge Foundation to promote transparency and citizen engagement through the analysis and visualisation of information about UK public spending. It makes dry data meaningful. http://www.wheredoesmymoneygo.org
- The Department for International Development (DfID) announced in June 2010 • a new UK Aid Transparency Guarantee to ensure that full information on all DfID's spending is published on its website. The focus is increasingly on making aid better by showing how money is being spent. DfID, 3rd June, 2010
- The Economist highlights that technology is nothing without story-telling: . 'They [newspapers and journals] need to deliver something that is distinctive. New technologies, like Apple's iPad, only make this truer. The mere acquisition of a smooth block of metal and glass does not magically persuade people that they should start paying for news. They will pay for news if they think it has value.' The Economist, 12-18th June, 2010



MICRO TREND: REGULATION

Investing in sustainability and by this seeking to achieve a BETTER WORLD, **makes good business sense.** Consumers are buying into sustainability, both because they care about it and because it affords them '**status**'. Being smart in addressing sustainability is essential for a company to succeed in this environment. Governments – local, national and through the EU – have become key players in sustainability. They are now turning to REGULATION to ensure industry meets certain key standards.

'Hyperconnectivity' and 'people power' now strongly inform policy-making – grassroots movements and even individuals are consulted before policies are made. Interest groups are already very strong and will grow in influence. In the future, visionary companies will also lead and become advocates for the greater good.

Consumers still expect a 'brand mindset' of sharing and collaboration, but the smart companies will change the definition of what it means to be caring and take sustainability to new levels. To thrive in this space brands need to **think differently, become leaders, be ahead of the curve, and truly influence** the regulations that are being made. They must show that it's **always possible** to do better.

In short we already have value, **now it's about adding values!** People demand brands that go beyond pure self-interest and commercial success – this is why we see a growth of **co-op movements**, from supermarkets to housing co-operatives, all creating a strong CULTURAL LEGACY that engages with people on an emotional level.

"Seeking to achieve a BETTER WORLD makes good business sense ."





MICRO TREND REGULATION: FACTS, FIGURES & INSIGHTS

- "Despite the lack of agreement on emissions cuts in the Copenhagen Accord, companies such as Dell, Walmart and Johnson Controls are already including carbon criteria in general supplier evaluation reports or score cards." Frances Way, Head of the Carbon Disclosure Project's supply chain program
- Google invest in clean energy. It suggests that Google sees the renewable market ٠ as a key plank in its emerging business model. The search giant spent \$38.8 million in tax equity investments on two wind farms in North Dakota, following approval from the US Federal Energy Regulatory Commission in February 2010, to buy and sell energy on the open market. Forum for the Future, Green Futures Article, 12th July, 2010
- 89% of project members say they have plans to follow the likes of Walmart, Dell • and others in requiring suppliers to calculate their carbon footprints and spell out strategies for reducing them. ClimateWire, 2nd February, 2010
- "Given the simultaneous growth of the sustainability movement, it's no surprise that companies are starting to combine the concepts [innovation + sustainability] and try to create open green innovation". Andrew Winston, 'Nike's Open (Green) Innovation', Harvard Business Review, 23rd June, 2010
- Energy and climate legislation could create between 918,000 and 1.9 million jobs. Research by the University of California, University of Illinois and Yale University (2009)
- The co-operatives sector has a combined turnover of almost £29 billion in the UK - this works out at £550 million a week. It sustains over 200,000 jobs. Cooperatives UK, http://www.uk.coop/
- Kicking off a race to jumpstart American jobs in a clean economy, Nike, • Starbucks, and other businesses and unions are urging Congress to approve a comprehensive climate change legislation this year. Nike, Starbucks Lead Push in Oregon for Clean Energy Economy, 17th February, 2010, environmentalleader.com http://tinyurl.com/yjyj7wm
- Norwegian insurance company Storebrand is pushing for changes in the rules that regulate which types of financial assets they are allowed to invest in. The life insurance sector is currently restricted to taking direct stakes in projects such as wind farms, hydropower plants or new cross-border transmission lines. Lloyd Timberlake, Imagining a Sustainable World, europeanbusinessreview.com http://tinyurl.com/36oufdj
- The Obama administration on 22nd June backed a proposal to spend up to \$6bn more on subsidies for electric vehicles, amid renewed interest on Capitol Hill to cut petroleum consumption in response to the Gulf of Mexico spill. Wall St Journal, 23rd June, 2010



CASE STUDY WE CAN LEAD

We Can Lead is a nationwide coalition of more than 1,000 business leaders - innovators, entrepreneurs, investors, manufacturers and energy providers - who support comprehensive, forward-looking energy and climate policies in the United States.

http://www.wecanlead.org/race/



CASE STUDY MCDONALD'S OPEN FARMS

McDonald's Open Farms is an initiative by McDonald's, as part of its role as London 2012 food supplier, to demonstrate that its ingredients are of a high quality. Launched on 18th May, 2010.

http://www.mcdonalds.co.uk/openfarms/index.shtml



IMPLICATIONS

Ensuring O2 sets the new norm for enabling people to create a BETTER WORLD

It is Telefónica O2 UK's ambition to become a sustainability leader by 2012. That's good news, because as we discussed in this update, sustainability is not a USP it is becoming the New Norm, a 'must have', which should be embedded into all aspects of our organisation.

Consumers are less interested in companies that are preaching about 'sustainable' behaviour. They are more compelled by organisations that enable, through their products and services people, to lead a sustainable lifestyle.

"People want to do something to make the world a better place. They will help when they are invited to. Access to cheap, flexible tools removes many of the barriers to trying new things. You don't need fancy computers to harness cognitive surplus, simple phones are enough." (Clay Shirky, Cognitive Surplus, 2010)

As an OPEN, FRESH, BOLD & HONEST organisation, it is our role to EDUCATE, ENGAGE & EMPOWER people to lead sustainable lives.

It is up to us to provide people with the tools to make the world a **better place**.

In addition to enabling consumers to lead green lifestyles through our products and services, we should ensure that our own internal processes are as green as possible. This makes good business sense. Leading corporations such as P&G, Unilever and Walmart have proven that sustainability can go hand in hand with good value, as it can reduce cost in the supply chain.

According to B Lab, a non-profit-making organisation that certifies socially responsible businesses in the US, more than 30,000 companies are now part of a socially responsible organisation. These socially minded companies are set to grow with the help of new legislation. A new corporate social responsibility will emerge that sees brands placing the needs of individuals and communities at the heart of their organisational goals. Taking the lead in that space makes sense, as reducing our energy consumption through greener IT, less carbon emission, reduced packaging, increase use of green energy, etc. will require a change of mindset.

But as we put those processes in place, there is an opportunity to make them visible to consumers and in doing so create compelling stories about the way we do business. It will help position O2 as a CARING and TRUSTED organisation with a rich cultural ecosystem that benefits the whole community.



SUGGESTED ACTION POINTS

Devices: There is an opportunity for O2 to become the 'WholeFoods' of Mobile Operators, a place where consumers don't need to wonder about how green and ethical their handset is, because they TRUST the O2 brand to make the right selection for them.

- Eco Rating: all our suppliers except for Apple and RIM are taking part in this initiative. However, RIM has expressed its intention to join the scheme in due course. This is setting a new standard for the industry and helping O2 build its position as a sustainable leader. Moving forward, O2 should continue working with suppliers to ensure that all the O2 retailed devices are the 'greenest' and the most ethical in the industry. It is clear that there is appetite from consumers for such products. It's the suppliers' role to ensure that the offer is there and O2's responsibility to make the devices' green and ethical credentials visible. At the CES electronic fair in January 2010, the British company, Plastic Logic, presented its new e-book reader, Que, a competitor to the Amazon Kindle and the iPad. Que consists of organic polymers printed on plastic backing. This makes the electronics both lighter and more bendable and hence more durable than silicon-based electronics. In addition to this, in June 2010, Apple applied for a patent for a solar-powered iPhone, which will charge itself from the sun's rays. Unlike other cell phones which integrate solar panels on the sides or back of the device, the iPhone's energy collection cells will be encased within the body of the phone. If Apple is investing in green technology, it is only a matter of time before other suppliers follow. O2 should take the lead in establishing better coordination/cooperation between carriers and vendors towards a harmonised approach to delivering the commitments made at GSMA congress in 2009.
- O2 Recycle: in partnership with REDEEM, is a great way to ensure devices are reused or recycled. O2 gives £1 for every phone recycled through www.o2recycle. co.uk/ to Think BIG, which is a great way to get our customers involved with our youth and community campaign.
- Reduced Packaging: this was trialled by O2 in the past and growing consumer concerns over sustainability suggests that we could re-visit this in the future. Indeed, brands will also have to become more transparent and rigorous in their assessment of their overall offer, according to Euan Murray, Head of Carbon Footprinting at The Carbon Trust. Murray sees leanness in terms of behind-the-scenes issues as well as those that are more visible and upfront (Lsn:global, Leanonomics).
- SIM collateral initiative: this initiative is already reducing 65% in SIM packaging paper/weight. The same thinking could be applied to other collateral.
- O2 Marketplace: with the shift to monetizing data, O2 will counter increase costs with the jail-break concept and the ability to upgrade handsets more easily. To avoid accusations of hypocrisy, O2 could utilise the proposed resurrection of O2 Marketplace to promote a closed loop (relates to current DEFRA study on extending product lifetimes, with a focus-group on Mobile).
- Leasing business model: This concept seeks to investigate the feasibility of a leasing-based model in cooperation with a manufacturer, whereby we close-theloop on recycling by receiving a reduced-cost handset from the manufacturer and offering consumers the same reduced-cost handset. This is based on the condition that they return it to us within a defined period and similarly, O2 returns it to the manufactures on the same basis. The manufacturer then refreshes to offer an as-new handset for secondary sale at similar prices.

IF 1 MILLION PEOPLE LIVED IN THE MOST EFFICIENT HOUSE:

KW/H Savings per year 4,710,000,000 Coal plant replaced 1.3 Pounds of CO replaced 2,494

IF 10 MILLION PEOPLE LIVED IN THE MOST EFFICIENT HOUSE:

KW/H Savings per year 47,100,000,000 Coal plant replaced 13 Pounds of CO replaced 24,935

IF 100 MILLION PEOPLE LIVED IN THE MOST EFFICIENT HOUSE:

KW/H Savings per year 471,000,000,000 Coal plant replaced 135 Pounds of CO replaced 246,936

American Council for an Energy Efficient Economy, Department of Energy, Energy Information Administration and Energy Star (GOOD magazine, Issue 20, Summer 2010)

HOME

The home is one of the key areas where we can help people lead greener lifestyles.

- Smart Metering: By 2015, the UK government will enforce that every household and business should be equipped with a smart meter. This is a very important aspect of the REGULATION micro trend, which opens up a lot of opportunities for O2. Many trials have been conducted to enable users to view the energy consumption for individual electrical devices, as well as the whole house on their mobile phones display. The users can also see whether the devices in their homes are turned on or off and also, if more energy is being used compared to previously. The opportunity for O2 is to come up with user-friendly software, as so far none of the current players seem to have found the best way to display this information. Such service enables consumers to live a more sustainable lifestyle and to save money. Rather than waiting half a year for the energy bill, users can see precisely where the energy is being used and ultimately decide whether this energy use is really necessary. Researchers estimate that home-owners will be able to reduce their energy costs by 15%.
- Green Energy: In order to own the 'end-to-end' home experience and truly take a stand for sustainability, O2 could directly invest in Green Energy provision. The major impact of O2 and other carriers is our network (O2 currently uses 0.1% of the UK's total energy consumption), and more stakeholders are now expecting to see progress in this area, demanding challenging performance targets on energy/ carbon (ideally absolute targets). At the same time, we are seeing a mushrooming on network energy demand, associated with data. So although we have established challenging targets beyond the Telefónica requirements, we cannot commit to absolute reductions. O2 need a clear story on this. Like other companies (Boots, Walkers, etc), O2 could communicate our commitment on carbon through a mechanism that's relevant to consumers, potentially the carbon standard's carbon footprint system.
- O2 Air (plus): Although O2 Air is terminated, there is a proposal for O2 to source all our energy from a new-venture renewables company, to partner with them and to use this as part of the O2 story on energy and carbon.





\mathbf{O}_{z} TRENDS 2010+/BETTER WORLD

RETAIL

Retail provides O2 an opportunity to make all our sustainability strategy visible to consumers. Indeed, many retailers have already used their stores as a way to showcase their commitment to sustainability. For instance, Walmart has installed solar setups at 18 Wal-Mart and Sam's Club stores plus two warehouses in California and Hawaii. All of Wal-Mart's solar projects generate enough clean energy to power the equivalent of 2,600 homes and avoid 22,500 metric tons of carbon-dioxide emissions each year, which is the equivalent to taking approximately 4,000 cars off the road. Other initiatives that aim to make sustainability visible in physical environments include the Pocono Raceway in Philadelphia, which has been fitted with a 3-megawatt, ground-mounted photovoltaic system, among the largest solar projects in Pennsylvania.

O2 has the opportunity to achieve this as well. Our retail stores could become the beacon for sustainability, from the store's building (solar panels for the new Superstores for instance) and energy consumption, to the sustainability activities such as Think BIG. It will help showcase our commitment to environmental and social responsibility under one roof. We can also showcase our sustainability commitment through small touches such as bicycle racks outside the shops, incentivising consumers for using public transports, using less carrier bags, recycled packaging, etc. They will help us build our credibility as a sustainability leader and will enable us to create powerful stories around our brand. Currently, no other brand owns this space. It could also be a way to sell new eco-friendly services to consumers in a credible manner, such as Smart Metering, Green Energy, car sharing, etc.

Link in with the Telefónica SA Green Customer Experience with Nokia, as appropriate.

Ensure all Gurus are fully aware of all aspects of sustainability - both Youth and Planet.

SOCIAL ENTERPRISES

Social Enterprises represent a great business opportunity for O2 within the SME sector. Social Enterprises are businesses that place social or environmental objectives equal to their financial ones. There are estimated to be 62,000 Social Enterprises in the UK, with a combined contribution to GDP of £28bn. Social Enterprise continues to grow into an ever more dynamic business sector, with recent data (State of Social Enterprise Survey, Social Enterprise Coalition 2009) showing that despite the recession, Social Enterprises are twice as confident of future growth than typical small to medium enterprises (48% of Social Enterprises as opposed to 24%). Additionally, since the economic downturn began, 56% have increased their turnover from the previous year. The survey also found that they are twice as confident of future growth as traditional SMEs. ('State of Social Enterprise' survey, 2009, commissioned by the Social Enterprise Coalition with fieldwork carried out by CELLO mruk research). Social Enterprises represent a real opportunity for O2 as they are set to grow in importance and therefore generate more revenues for us. They also contribute positively to society and the environment, which fits with our commitment to build a strong cultural ecosystem that people want to engage with. Our objective is to provide exposure to Social Enterprises, to help them grow (through sponsorship of key events, raising PR awareness, providing access to the newly launched Social Enterprise mark, etc), as well as providing them with the tools to conduct a more efficient business (through the launch of a unique Social Enterprise package, tailored to their specific needs). Furthermore, as our relationship with Social Enterprises evolves, it could become connected to the Think BIG programme, by providing Think BIG project leaders with advice on how to grow their own Social Enterprise, or linking their own projects to existing Social Enterprises. The Social Enterprises initiative is a great way to show our commitment to community and sustainability and to build our cultural ecosystem.



PEOPLE

Acting on environmental and community issues is important to many of our employees and we encourage it wholeheartedly. There is real community and greener spirit at O2 and we aim to recognise, nurture and support it. We have already done some great work for charities, the environment and communities, from tackling waste and handset recycling to supporting numerous youth charities.

- Think BIG Youth Projects: O2's flagship community programme seeks to establish a nationwide movement to harness the power of young people, turning their potential into positive action. By empowering them to improve their local communities we can change the way young people think and the way people think about them. Our people can get involved in the youth programme through mentoring and team volunteering days. It's a chance to share their knowledge and experience with young people from around the UK.
- The Big Six: To encourage our people to lead sustainable lifestyles both in and outside work we have devised some clear targets for our people to rally behind. These include, aiming to reduce waste, water, energy and travel impact, fostering sustainable products and services and encouraging volunteering in our community activities.
- Big Thinkers: To help galvanise action around the Big Six we have recruited employees to become Big Thinkers. Teams of 20 people, based at each of our main sites, that are responsible for inspiring colleagues to take action and coordinating their efforts.
- Eco Team Leaders: Not everyone has the time to get involved while at work. However, O2 employees can still play an important part in Think BIG at home by becoming an Eco Team Leader. Being an Eco Team Leader is all about making small changes that add up to a big difference, for example, swapping traditional light bulbs for energy-efficient ones, or washing clothes at a lower temperature. They record it all on a website so we can keep track of just how much energy we're saving together. We call them Eco Team Leaders because they will also recruit a team of eight people who'll also measure their energy consumption. They don't have to be colleagues they could be family or friends and we'll give them training to help them on the way.

We need to push these initiatives to achieve people's engagement with sustainability. In the end, our people are the best proof of our commitment to sustainability They sit at the core of the O2 cultural ecosystem. It is up to everyone to adopt a sustainable behaviour.

BUSINESS SALES

UK businesses are keen to start their own sustainability journeys in response to governmental regulation and stakeholder expectations. A real opportunity for O2 is to use our own experience to springboard commercial opportunities with potential corporate customers. We have the potential to offer some form of support consultancy to businesses on their carbon and environmental agenda.

Also, O2's Tomorrow's Workspace (www.o2tomorrowsworkspace.com) has raised much interest with businesses on the potential of partnering and shared learnings.

Telefonica

We're better, connected

<u>NOTES</u>