

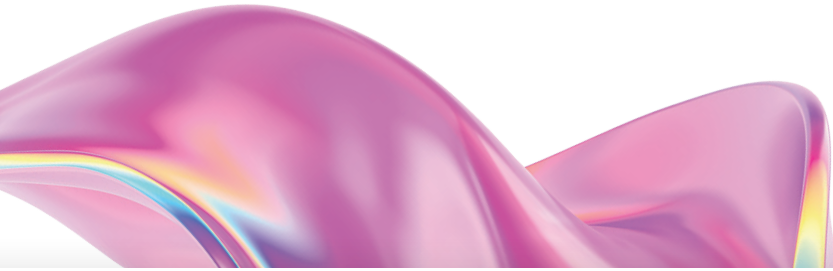


# Sustainable Connections



Our connection with our planet, our people, and the communities where we work.





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## Sustainability Strategy



*I'm excited to share with you Three Ireland's Sustainability Strategy. Our strategy supports our Group Telecoms Sustainability Strategy and aligns with our Group Sustainability Framework and the United Nations Sustainable Development Goals.*

*We believe in responsibly managing our business to ensure that we make a positive social and environmental contribution, while also improving and providing a fast, reliable network. This is our first core Sustainability Strategy, but it's not the beginning of our sustainability journey. We have several*

*initiatives across the business focused on improving our environmental footprint or supporting local communities. The strategy will bring our work together under the sustainability banner, to monitor and maximise its impact. Our commitment to managing our environmental footprint, supporting customers in sustainable choices, investing in our staff, and supporting digitally excluded communities will ensure that we play our part.*

*Achieving our targets will require working together with internal and external stakeholders, Government, regulators, customers, suppliers, partners, local communities and civil society organisations. We look forward to working with you all to make these changes for the better.*

**Message from Robert Finnegan, Chief Executive**

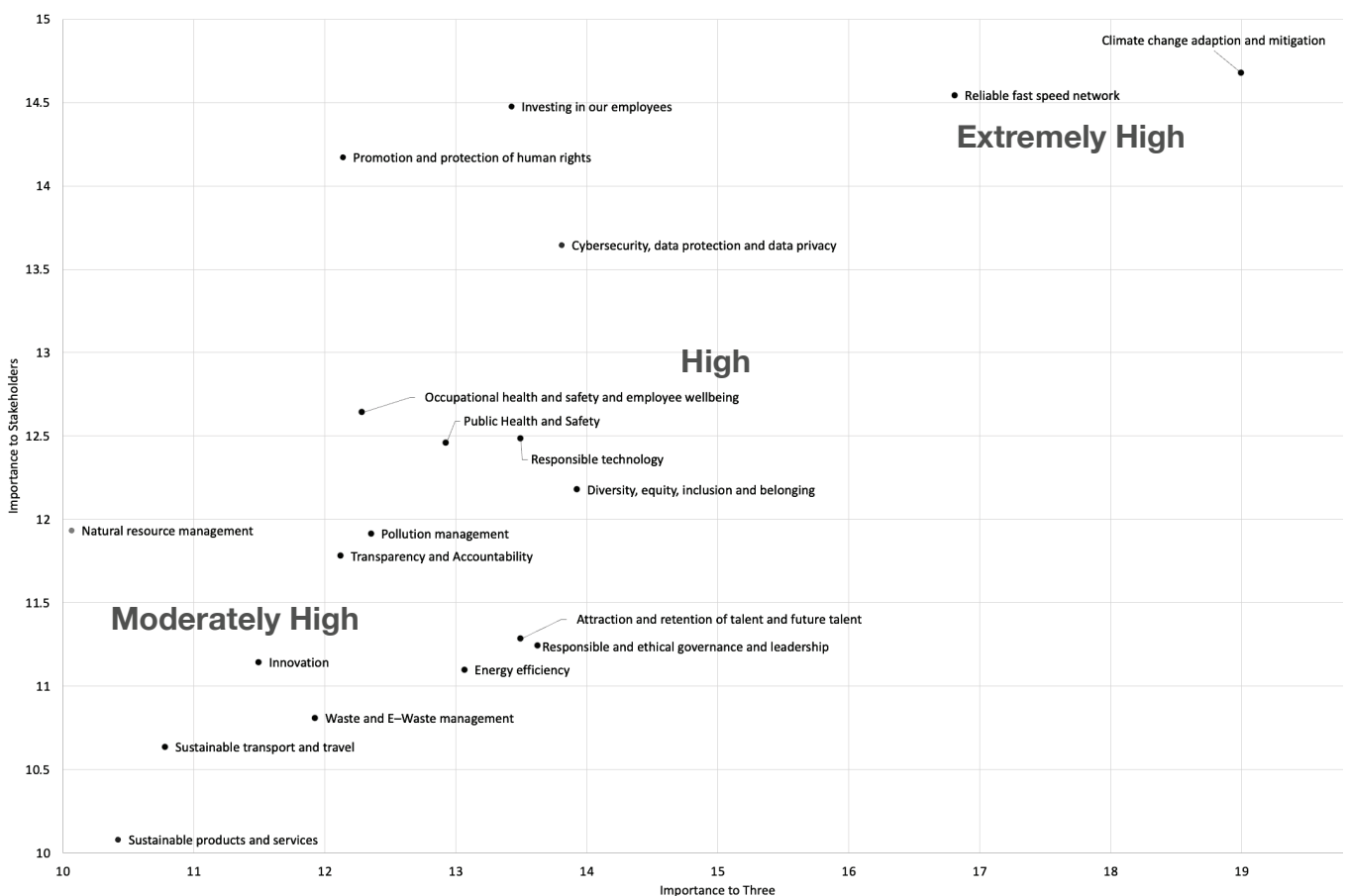
# Strategy Development

In 2022 we worked across the business to develop targets to support the delivery of our strategy goals. Our goals are aligned to the CKHGT Sustainability Strategy<sup>1</sup> which supports the Group/CKHH Sustainability Framework<sup>2</sup> (Source:Page 2).

When developing our strategy targets, we analysed our business priorities, corporate sustainability best practice, leading industry standards, and the UN Sustainable Development Goals to identify those areas where we could make the most positive impacts.

We also carried out a materiality assessment asking internal and external stakeholders which sustainability topics they felt were important for us to prioritise. Those topics that were seen as most important for stakeholders and a business priority were identified as being our material topics. You can see the outcome below in our materiality matrix, where we have included only those topics deemed really important from the long list that we consulted on.

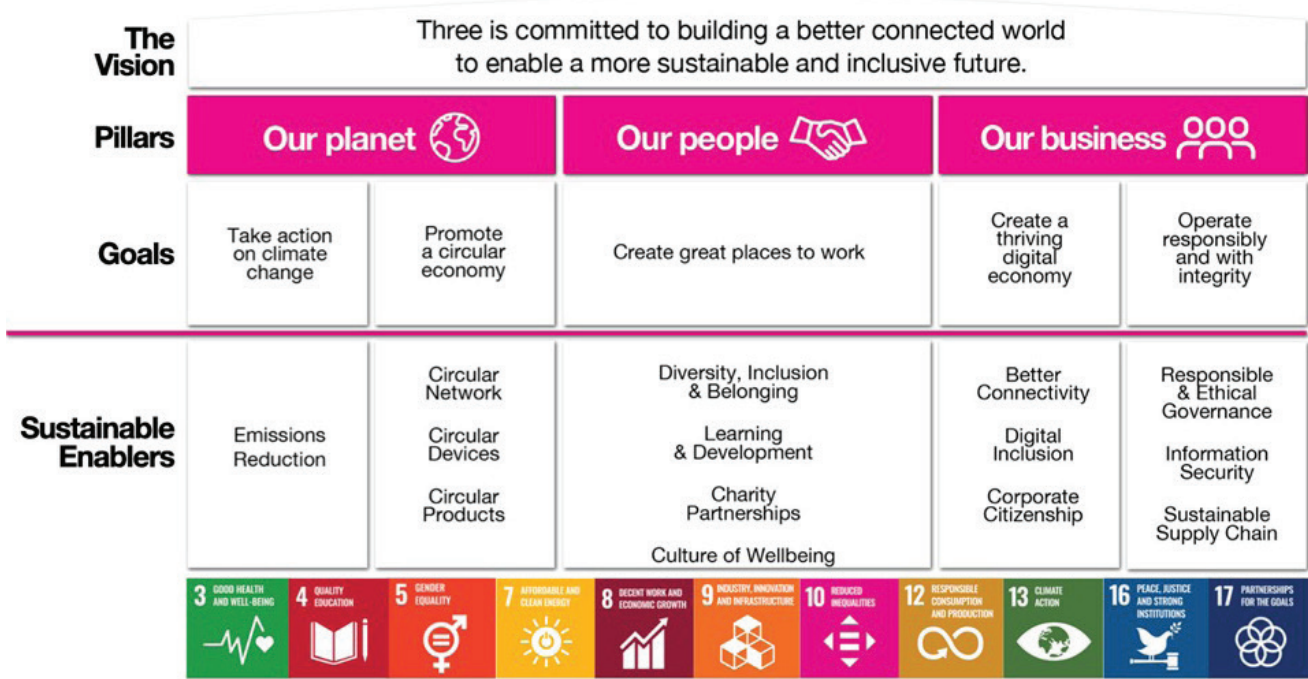
## Materiality Matrix



<sup>1</sup>CKHGT Sustainability Strategy  
<sup>2</sup>CKHH Sustainability Framework

# Our Sustainability Framework

## Three Sustainability: Purpose, Vision, Mission



Our sustainability strategy focuses on five goals and supports 11 of the United Nations Sustainable Development Goals<sup>3</sup>.

<sup>3</sup>UN Sustainable Development Goals



## Our Planet

### Goal: Take Action on Climate Change

The development of Three's sustainability strategy took place against a backdrop of ever-increasing global temperatures<sup>4</sup> and unequivocal evidence of the link between human activity and climate-change<sup>5</sup>. In order to play our part in helping to minimise the effects of climate change, it is imperative that everyone, including businesses, actively manage their carbon footprint.

Since 2021 we've been measuring and monitoring our emissions to identify and implement improvement opportunities. These include energy reduction such as switching to LED lighting in our Limerick contact centre, trialling the roll-out of solar panels at our mobile radio sites, and a focus on maintaining our high-levels of renewable electricity.

In 2022, CK Hutchison Group Telecoms (CKHGT) set science-based targets aligned to a 1.5 degree pathway, verified by the Science-Based Targets initiative<sup>6</sup>. The targets are to reduce absolute Scope 1 and 2 emissions (i.e. direct emissions)

by 50% by 2030 against a 2020 baseline, and to reduce absolute Scope 3 emissions (indirect emissions) by 42% by 2030. CKHGT also has a target to be net-zero in its own operations by 2040 and has committed to setting a long-term net-zero target validated by the Science-Based Targets initiative.

Three Ireland's emissions are included in the 2020 footprint, and we're currently developing a detailed emissions reduction strategy to 2030 across all scopes to support the delivery of the Group targets.

In line with this, we have set Sustainability Strategy targets and identified programmes of work that build on our work to date to lower our own direct emissions. Our plans include a sustainable travel programme, and expanding our focus to increase supply chain engagement. More broadly, our IoT products<sup>7</sup> are supporting the delivery of Ireland's decarbonisation targets by allowing households and businesses to better monitor and manage their energy usage.

<sup>4</sup>World of Change: Global Temperatures (nasa.gov)

<sup>5</sup>Climate change: a threat to human wellbeing and health of the planet. Taking action now can secure our future – IPCC

<sup>6</sup>Companies taking action - Science Based Targets

<sup>7</sup>IoT (three.ie)



## Our Planet

### Goal: Promote a Circular Economy

A circular economy<sup>8</sup> focuses on eliminating waste in product design and extending the useful lifetime of a product and its components. It aims to maximise both the elements within a product and the embodied energy. Circular economy models include sharing, leasing, reusing, repairing, refurbishing, and recycling.

We will focus on offering circular economy products and services to our customers over the lifetime of the Sustainability Strategy. We will launch a trade-in

programme to collect phones for repair, reuse, and recycle to extend their lifecycles and reduce e-waste. We will also launch a Device as a Service (DaaS) programme for business customers whereby devices are leased rather than owned. We aim to grow both of these programmes over time. We will also continue to work with our suppliers to identify sustainable products and accessories to include in our range. Finally, we will focus on responsibly managing our network waste equipment.

<sup>8</sup>[What is a circular economy? | Ellen MacArthur Foundation](#)



## Our People

### Goal: Create Great Places to Work

We recognise that our people are our greatest asset. In fact, two of our core values centre on how we work together; ‘*We appreciate each other*’ and ‘*We work as one team*’. We also recognise that employees have different flexibility, development, and engagement needs<sup>9</sup> in a post-pandemic world and we are constantly refining our employee propositions to match these.

We know the value of investing in our people so we’re delivering our development initiatives in many new and exciting digital ways. We’re also using insights from our employee surveys and from sponsors across the business to enhance our already comprehensive development programme that caters to our people on an individual level. Our Sustainability Strategy will focus on increasing employee engagement with our learning and development offering and ensuring that our digital programmes are accessible to all.

We also recognise the importance of a

diverse workforce that reflects society and the positive impact that this has on employee culture and business performance<sup>10</sup>. At Three, we want our people to feel comfortable being their authentic selves at work. We believe that an inclusive culture underpinned by respect is the foundation of a diverse organisation. Reflecting this, in 2022, Three Ireland received an Investors in Diversity Gold award from the Irish Centre for Diversity<sup>11</sup>. We will continue to place diversity and inclusion to the forefront of our agenda to further embed them across our culture. Providing this kind of workplace environment for everyone is a journey and a long-term commitment, and it’s one we’re excited to make.

Finally, we understand the dual benefit of employee volunteering and fundraising, to both Three Ireland and our charity partners<sup>12</sup>. We identify employee involvement opportunities where possible to broaden and deepen our societal impact.

<sup>9</sup>[What Your Future Employees Want Most \(hbr.org\)](https://www.gartner.com/en/articles/what-your-future-employees-want-most)

<sup>10</sup>[How diversity, equity, and inclusion \(DE&I\) matter | McKinsey](https://www.mckinsey.com/industries/diversity-and-inclusion/how-diversity-equity-and-inclusion-de&i-matter)

<sup>11</sup>[Irish Centre for Diversity](https://www.irishcentrefordiversity.com/)

<sup>12</sup>[The business case for volunteering | Business in the Community \(bitcni.org.uk\)](https://www.bitcni.org.uk/)





## Our Business

### Goal: Create a Thriving Digital Economy

Our 'Create a Thriving Digital Economy' goal relates to the delivery of our core business offering – a secure and reliable network.

Continuously upgrading our network and investing in network security are of utmost importance to us. Three has to date invested over €2 billion in building our business in Ireland. This includes a €820 million investment in upgrading and expanding our network and in Three's digital transformation, which will deliver a cutting-edge experience for both our customers and our employees. Annually, Three continues to invest over €100 million into our business to ensure we continue to deliver the best network, experience and service for our customers. This has resulted in 99% 4G coverage and Three's

5G network being available to customers in every county.

The latest Ookla data (H2 2022<sup>13</sup>), shows that Three holds its position as Ireland's fastest 5G Network.

Our digital economy goal includes a focus on digital inclusion – ensuring that people can access and engage with digital technologies. We realise the importance of digital upskilling alongside digital access. Digital skill levels in the wider population are below the EU average, as 53% of the Irish population aged 16–74 years have only basic digital skills, compared to 58% of those in the EU<sup>14</sup>. Through our Sustainability Strategy, we will develop a digital inclusion programme with a focus on skills to maximise our impact.

<sup>13</sup>Ireland – 2022 Speedtest Awards

<sup>14</sup>Digital Inclusion in Ireland: Connectivity, Devices & Skills



## Our Business

### Goal: Operate Responsibly and With Integrity

Good governance, transparency and accountability are the cornerstone of our business. 'We take responsibility' is one of our core values.

We ensure that we have the correct systems, policies and procedures in place to manage the business in a responsible and ethical manner, and to support and protect our colleagues, customers and stakeholders.

Cybersecurity is paramount for us as a telecommunications company. We make sure our network, IT, and services are secure, reliable and high performing for our customers to enjoy their experiences.

'We focus on the customer' is another of our core values. We always strive to deliver the highest standards of service possible. We want to give customers exemplary service and we are always looking for ways to improve as a result. Our customers and stakeholders put their trust in us to protect their data. We have stringent data privacy policies and procedures in place to ensure that this trust is upheld.

<sup>15</sup>Corporate sustainability reporting (europa.eu)

<sup>16</sup>EcoVadis

Our enterprise risk management system allows us to identify critical risks and opportunities across the business and develop mitigating actions to ensure that we deliver on our objectives. As we prepare for the Corporate Sustainability Reporting Directive (CSRD)<sup>15</sup>, we will focus on climate scenario analysis and the associated climate risks and opportunities for Three Ireland.

In 2022 we updated our supplier code of conduct and launched a partnership with Ecovadis<sup>16</sup> to gain transparency across our supply chain and better identify risks and opportunities. We will continue this programme of work across our supply chain.

Our Sustainability Strategy will focus on increasing sustainability awareness within our business to help embed it in our culture and decision making. We will also pursue external third-party health and safety and environmental accreditations to drive excellence.



## Targets

<b>Emissions Reduction</b>	Develop and implement local emissions-reduction strategy to support the delivery of the CKHGT Science-Based Targets
<b>Energy</b>	Maintain renewable electricity levels at 100% for directly procured electricity
<b>Business Travel</b>	Implement sustainable travel programme: By 2030, achieve a 25% reduction in business travel emissions per FTE
<b>Circular Network</b>	By the end of 2025 ensure that 100% of decommissioned network equipment is reused or responsibly recycled
<b>Circular Products</b>	Ensure that 100% of our new Three Ireland consumer SIMs are Eco-SIMs by the end of 2023. Introduce eSIM offering by the end of 2023
<b>IoT</b>	Support Ireland's decarbonisation targets through the deployment of 2.6 million smart meters across Ireland by 2026 to enable consumers to better manage their energy usage
<b>Diversity, Inclusion &amp; Belonging</b>	By 2030 achieve a 50/50 gender balance in leadership
<b>Sustainable Procurement</b>	Complete sustainability assessment across our supply chain to cover 95% of our spend by the end of 2023
<b>Sustainability Awareness</b>	Introduce mandatory sustainability training for Three Ireland employees and achieve a 95% compliance target by the end of 2023

# Sustainable Connections

