

2025 JAC ANNUAL REPORT

PUBLISHED APRIL 2026

JOINT ALLIANCE FOR CSR (JAC)





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ABOUT THIS REPORT

The Joint Alliance for CSR (JAC) brings together telecommunication operators with a shared commitment to responsible and sustainable supply chains.

As a non-profit association, JAC focuses on evaluating, strengthening and advancing sustainability practices across products and the manufacturing environments.

Guided by a Board made up of member representatives, JAC provides a structured framework for collaboration, enabling members to exchange knowledge, develop common sustainability methodologies and drive meaningful improvements throughout the global ICT supply chain. Where gaps are identified, corrective action plans play an important role in supporting progress and raising performance.

This report provides an overview of JAC's audits, initiatives and working group activities undertaken during calendar year 2025.

JAC operates in full compliance with applicable competition laws and regulations. Collaboration among members is strictly limited to sustainability and supply chain due diligence activities. All meetings and exchanges are conducted under agreed compliance guidelines (e.g. the JAC Competition Manual).

Members do not exchange competitively sensitive information, including (but not limited to) pricing, costs, (individual) purchasing strategies, market allocation or supplier negotiations. Each member makes procurement and other commercial decisions independently. JAC regularly reviews its activities to ensure ongoing adherence to competition law requirements.



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OUR PURPOSE

This report shares JAC’s progress with stakeholders, focusing on audits completed and key working group activity between 1 January and 31 December 2025.

All data has been collated and verified by JAC’s lead services partner, epi, and the report has been reviewed and approved by the JAC Board.



The content included here is approved for external communication. Any information shared within JAC is limited to sustainability audit data, audit outcomes and operational information relating to the administration of the audit program. This information may be treated as confidential and must not be shared externally without the written consent of the JAC Board. Confidentiality applies solely to audit data and audit outcomes; no other confidential information is exchanged between JAC members as part of the initiative.





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THE CHAIRS' REPORT

At a time when sustainability faces growing scrutiny, influenced by geopolitical tensions, economic uncertainty and shifting political priorities, it is essential to remain grounded in reality. Sustainability risks and opportunities have not diminished.

Climate change, human rights and business integrity remain material to businesses, supply chains and society. Managing these issues is not optional. It is fundamental to resilience, continuity and long-term value creation.

These challenges also cannot be addressed by any single organisation. Many sustainability issues are inherently collective, embedded within global value chains and shared across the industry. Collaboration is therefore essential and continues to guide the work of JAC.

This report reflects JAC's mission: enabling telecom operators to work together to advance sustainable practices across the ICT supply chain. In 2025, members demonstrated the strength of this collaborative model. Over the year, JAC conducted more than 150 sustainability audits across multiple regions, spanning suppliers at various tiers and generating close to 800 corrective action plans. These actions strengthen supplier practices, reduce risk and improve outcomes for workers and the environment.



JAC's impact lies not only in scale, but in alignment of sustainability methodologies and approaches. By sharing audits and harmonising methodologies, audit fatigue is reduced while transparency, consistency and effectiveness are strengthened. This enables members and suppliers to prioritise continuous improvement rather than compliance alone.



Beyond audits, JAC continues to develop as a platform for collective action on priority topics. In 2025:

<p>CLIMATE CHANGE WORKING GROUP</p> <p>Accelerated Scope 3 emissions reduction through engagement with more than 700 suppliers that together represent the majority of supply chain emissions.</p>	<p>CIRCULARITY WORKING GROUP</p> <p>Advanced circular economy practices by promoting measurable targets, sustainable design and lifecycle-extending models including reuse, refurbishment and recycling.</p>	<p>SUPPLY CHAIN DUE DILIGENCE WORKING GROUP</p> <p>Strengthened approaches to human rights risk management through shared best practices and aligned due diligence frameworks.</p>
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Looking ahead, the challenges remain complex and interconnected. JAC’s experience continues to demonstrate that collective action delivers results. By working together across companies, suppliers and partners, shared challenges can become shared progress.

We thank all JAC members, working group participants, suppliers and partners for their continued commitment. Your engagement is fundamental to JAC’s credibility and impact. We hope this report provides a clear view of our progress and reinforces the importance of collaboration in building more sustainable and responsible supply chains.



Carlo Drauth JAC Chair
Global Head of Sustainability and Responsible Business at Telefónica S.A.



Kim Hurst JAC Vice Chair
Global Lead, Supply Chain Sustainability at Vodafone Procurement Company



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OUR LONG-TERM STRATEGY

As JAC moves into its next strategic phase, the Board of Directors has defined a clear long-term ambition: to scale impact across the global ICT supply chain while preserving the principles that underpin JAC's credibility.

As sustainability expectations on telecom operators continue to evolve, JAC remains focused on delivering consistent, measurable, and industry-leading outcomes through collaboration.

STRENGTHENING JAC'S CORE MODEL

JAC's carrier-only membership model remains central to its neutrality, independence and integrity. Now comprising 31 global telecom operators, this structure continues to ensure:

- Unbiased governance free from commercial influence
- Alignment of sustainability due diligence methodologies and audit frameworks
- Trusted collaboration on audits, due diligence and supplier engagement
- Credibility with suppliers and stakeholders

As JAC expands its activities, its commitment to independence and neutrality remains fundamental.

EXPANDING IMPACT THROUGH COLLABORATION

While membership will remain telecom-only, JAC will deepen engagement across the wider ecosystem. Many sustainability challenges, including human rights, climate action, Scope 3 emissions and circularity, require collective solutions.

JAC will therefore continue to:

- Strengthen collaboration with peer industry associations
- Expand partnerships with expert organisations, such as Save the Children
- Align methodologies with recognised global frameworks, including UNGPs, OECD Guidance, SBTi and circularity standards
- Develop sustainability guidance for suppliers
- Improve interoperability of data and reporting systems

This approach enables JAC to contribute to broader industry progress while maintaining its governance model and independence.



FUTURE PRIORITIES

Building on its existing programmes, JAC’s strategy focuses on **five key priorities**:

- 1. DIGITALISATION**

Developing an integrated and scalable digital environment to support supplier mapping, risk assessments, audits and grievance management across the ICT supply chain.
- 2. SUPPLY CHAIN DUE DILIGENCE**

Strengthening multi-tier supply chain due diligence methodologies, grievance mechanisms and collaborative partnerships to address salient ESG risks and impacts in ICT supply chains.
- 3. TARGETED PROGRAMMES**

Expanding targeted initiatives that accelerate progress on climate action, labour rights and circularity through deeper and more focused supplier engagement on these priority topics.
- 4. HARMONISATION AND ALIGNMENT**

Collaborating with relevant sector organisations, such as GSMA, to increase alignment and help reduce data and process redundancies for both telecom operators and suppliers.
- 5. GOVERNANCE AND CAPABILITY**

Continuing to strengthen governance structures, organisational capabilities, transparency and member-driven oversight.

A STRATEGY ROOTED IN NEUTRALITY AND COLLECTIVE ACTION

JAC’s ambition remains clear: to be the most trusted and impactful telecom-led sustainability alliance. As challenges grow more complex, collaboration, alignment and neutrality will continue to guide its evolution.

JAC will expand its reach and capabilities while remaining firmly anchored as an independent, carrier-only initiative.





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THE TREASURER'S REPORT

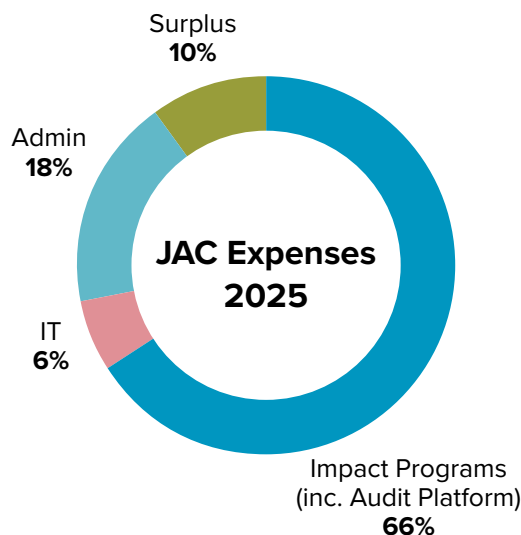
Membership growth continued to define 2025, with JAC reaching 31 members by year-end.

Total membership fees increased by 7% with the addition of KDDI and SINGTEL. This expansion reinforces JAC's position within the telecom sector while enhancing stability for members and suppliers.

Expenditure remained focused on JAC's core operational delivery (66%), supporting the consistent execution of the annual audit programme and enabling member collaboration to strengthen sustainability performance. Key activities included shared carbon-reduction initiatives and working groups addressing due diligence, circular economy and climate change.

Throughout the year, JAC convened several global events. General Assemblies supported member engagement and strategic alignment, while the Supplier Forum provided dialogue and guidance on priority topics. (ESRS - S2, ESRS - E1, ESRS - E5)

Strategic investment strengthened organisational capability and service delivery, with priority placed on enhancing processes, controls and digital information systems to support data security and regulatory compliance. JAC closed the year 2025 with a surplus of 10%.



Looking ahead, continued growth will be matched by further reinforcement of JAC's IT infrastructure and governance framework. 2026 is a year of growth and investment, with focus on expanding audit capabilities, deepening data-driven insight and strengthening supply-chain resilience. These initiatives will be fully covered by JAC reserves – with no member fee increase required in 2026. (ESRS - S2)



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THE BOARD OF DIRECTORS

Strategic oversight and direction are provided by the Board of Directors (BoD), ensuring that corporate sustainability and responsible business conduct remain embedded throughout JAC’s activities.

The Board plays a central role in overseeing sustainability-related impacts, risks and opportunities, in line with ESRS 2 governance requirements. (ESRS 2 - GOV1 and GOV2)

Drawn from across the JAC membership, the Board is composed of experienced professionals representing a broad range of expertise, including governance, corporate strategy, sustainability and risk management. This diversity of perspective supports effective oversight and informed strategic decision-making. (ESRS 2 - GOV1)

Responsibilities across the Board are structured to provide oversight of key functional areas, including Strategy, Working Groups, IT Development, Treasury, Operations, Legal and Compliance, Risk Management, Communications and Events. This framework supports the consistent management of sustainability-related matters. (ESRS 2 - GOV2)

Further information on Board members and their respective roles is available on JAC’s [‘About Us’](#) page.



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BOARD MEETINGS

Meeting on a monthly basis, the JAC Board provides strategic oversight, governance and alignment across all alliance activities, including coordination with the Secretariat, epi.

A core responsibility of the Board is defining JAC's long-term direction, ensuring that organisational objectives, sustainability programmes and cross-industry initiatives remain coherent, relevant and effective. This includes oversight of governance frameworks, competition law compliance, and adherence to JAC's Competition Manual, which establishes standards for responsible conduct and information sharing.

Board meetings also function as a structured forum for reviewing operational performance. Key areas of focus include delivery of the annual audit programme, progress of Corrective Action Plans, supplier engagement activities, working group outputs, and major initiatives such as JAC's joint IT strategy supporting the audit programme and due diligence system development. This process supports transparency, coordination and responsive decision-making.

In addition, the Board serves as the primary decision-making body for significant proposals and investments, including the adoption of digital tools and enhancements to audit or due diligence methodologies. Meetings further support alignment on alliance-wide events, communications and external stakeholder engagement.

RAISING NEW TOPICS

New issues or policy proposals may be raised by JAC members through a written submission to the Board Chair or Vice-Chair, with the JAC Support team copied for coordination. Submissions should clearly describe the topic, its rationale, and the decision or action requested.

Where relevant, proposals may be shaped through discussion within appropriate Working Groups prior to Board consideration.

All submissions must align with the JAC Competition Manual and exclude competitively sensitive information.



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JAC IN ACTION

Throughout 2025, JAC continued to strengthen its collaborative approach to supply chain sustainability, expanding audit coverage, worker engagement and corrective action follow-through. By year-end, JAC comprised 31 telecom operators committed to responsible business practices.

Across the reporting period, JAC members completed 151 assessments of suppliers, including 127 onsite CSR audits and 24 RBA-aligned VAP assessments. In parallel, 15 Mobile Workers' Surveys captured feedback from 12,552 workers across two countries. Audit activity covered 31 countries, with China (91 audits), Vietnam (13) and India (7) representing the highest levels of engagement. Regionally, Asia accounted for 75% of audits, followed by Europe (13%) and Latin America (4%).

Audit findings resulted in 794 Corrective Action Plans (CAPs), most frequently linked to Health & Safety (50%), Working Hours (15%), Environment (12%) and Business Ethics (10%). During the reporting period, suppliers successfully closed 221 CAPs, reflecting continued progress in risk remediation.

Performance outcomes varied across sites. 28% achieved an Excellent (Class A) rating, while 47% were classified as Good (Class B). A further 2% and 23% were rated Conditional (Class C) and Poor (Class D), highlighting both strong performance and areas requiring further improvement.

Taken together, JAC's 2025 results demonstrate ongoing progress in transparency, methodological consistency, worker-voice integration and collective improvement across the global ICT supply chain.



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AN UPDATE ON IT ROADMAP

During 2025, JAC maintained a privacy- and security-compliant IT environment, with main emphasis on confidentiality of data related to audits and corrective action plans, next to enabling collaboration on JAC shared initiatives with suppliers.

Both the internal collaboration IT platform and JAC's web presence were renewed to improve usability and performance.

As JAC's working groups advanced, new requirements for IT processes and systems emerged. These developments support JAC's objective of building a more consistent and integrated supply chain due diligence environment.

A key priority has been moving beyond isolated risk assessments, fragmented audit activities and standalone initiatives towards a connected risk management framework that strengthens supplier development and performance. (ESRS - S2)

Several components were identified as critical to this evolving IT landscape (ESRS - S2):

- Supply chain tier mapping
- Supplier self-evaluation
- Supply chain risk assessment
- Real-time alerting
- Supplier engagement and corrective action management
- Supplier training
- Grievance mechanisms

In parallel, JAC initiated a structured market review to identify solutions capable of expanding system capabilities, increasing activity coverage and enabling deeper insight. While this work continues into 2026, it has already strengthened internal expertise and leveraged the technical maturity of JAC members.

Looking ahead, the continued evolution of JAC's system environment will remain central to supporting members' supply chain due diligence efforts. (ESRS - S2)



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EVENTS AND AWARDS

Throughout 2025, JAC members and suppliers convened at two key events designed to strengthen collaboration, advance ESG integration and respond to emerging risks across global ICT supply chains. (ESRS - S2)

Hong Kong, China | May 2025

11TH JAC SUPPLIER FORUM

Hosted in Hong Kong, the 11th JAC Supplier Forum convened key suppliers and member companies from across the ICT ecosystem.

Discussions highlighted practical examples of how joint initiatives are advancing ESG performance, including greenhouse gas reduction, improved working conditions and increased transparency across complex, multi-tier supply chains. (ESRS - S2)

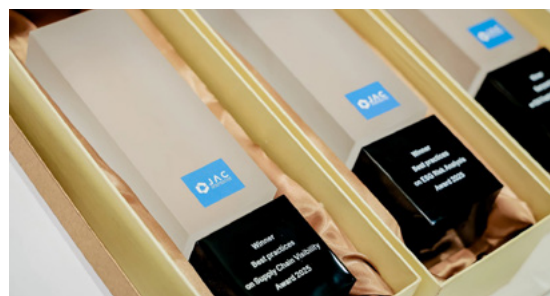
Interactive sessions enabled suppliers to share experiences, challenges and emerging approaches to responsible business conduct. The Forum reinforced the importance of long-term partnerships, open dialogue and shared accountability in addressing systemic challenges such as climate change, responsible minerals sourcing and evolving regulatory expectations.

Insights from the Forum are informing the refinement of JAC's tools, guidance and collaborative programmes for 2026 and beyond. (ESRS - S2, ESRS - E1, ESRS - E5)

Supplier awards

Building on the Forum, JAC introduced the 2025 Supplier Forum Awards, recognising leading practices across three pillars of responsible supply chain management:

- Supply Chain Visibility
- Risk Analysis
- Supply Chain Engagement (ESRS - S2, ESRS - GOV1)



The awards programme was designed to recognise and promote robust supply chain due diligence practices. Participating suppliers demonstrated their approaches, systems and outcomes, with best-practice examples formally acknowledged through a JAC Supplier Forum Award.



Vienna, Austria | October 2025

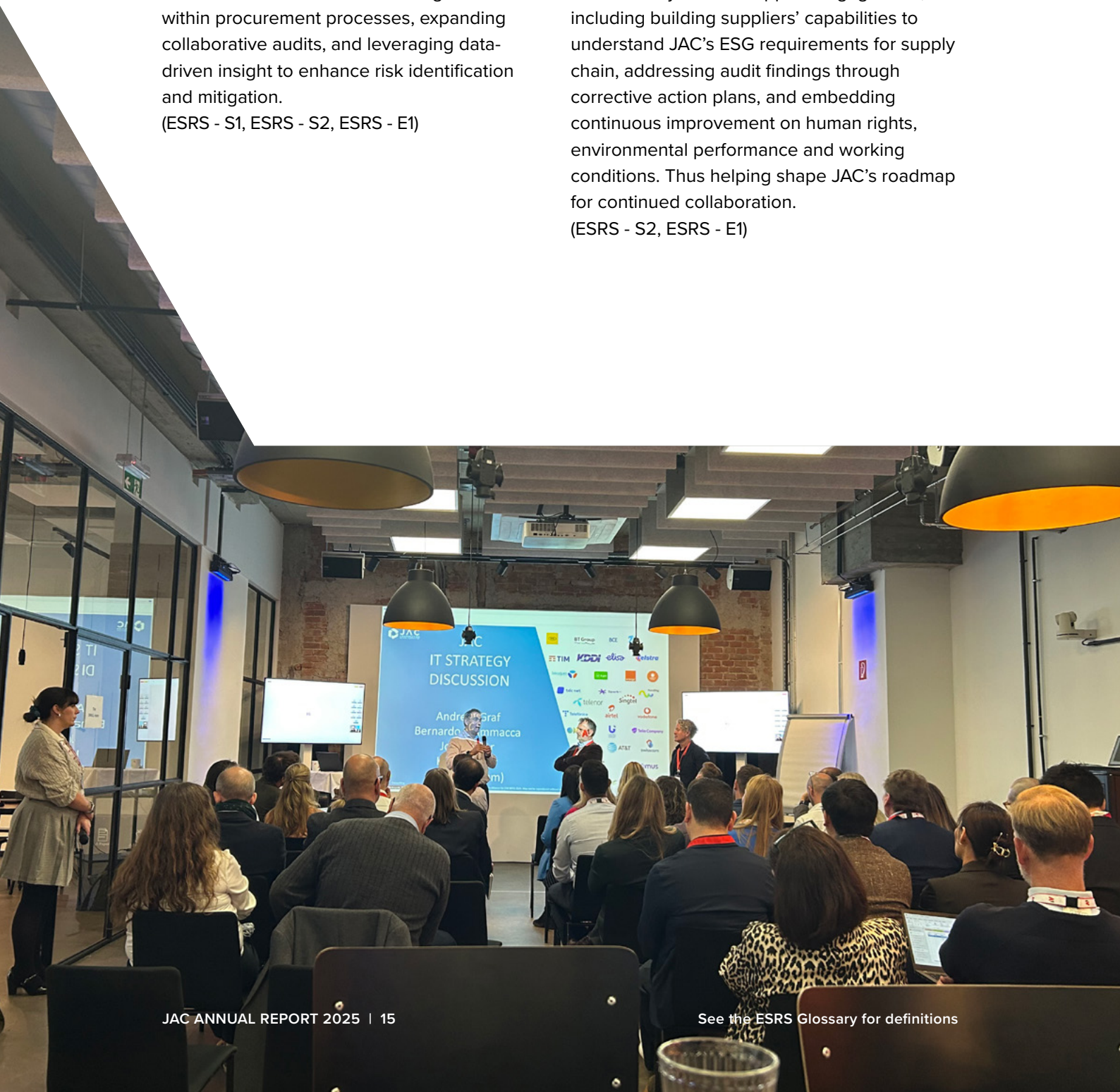
JAC GENERAL ASSEMBLY

Later in the year, the JAC General Assembly in Vienna brought members together to discuss JAC's strategic priorities and review progress against multi-year ESG objectives. Discussions centred on strengthening environmental and social due diligence within procurement processes, expanding collaborative audits, and leveraging data-driven insight to enhance risk identification and mitigation.

(ESRS - S1, ESRS - S2, ESRS - E1)

Participants also explored opportunities to embed human rights, climate resilience and circularity considerations more systematically across the ICT value chain. The Assembly supported knowledge exchange on sustainability-related supplier engagement, including building suppliers' capabilities to understand JAC's ESG requirements for supply chain, addressing audit findings through corrective action plans, and embedding continuous improvement on human rights, environmental performance and working conditions. Thus helping shape JAC's roadmap for continued collaboration.

(ESRS - S2, ESRS - E1)





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AUDITS

As of 31 December 2025, JAC comprises 31 members:

2degrees, A1 Telekom Austria, Airtel Group (Airtel Africa, Airtel India), AT&T, Bell Canada, Bouygues Telecom, BT Group, Deutsche Telekom, Elisa, KDDI, KPN, Liberty Global, MTN, NTT, Nuuday, Odido, Orange, Proximus, Singtel, Spark, Swisscom, TDC Net, Telecom Italia, Telefónica, Telenor, Telia Company, Telstra, Telus, United Group, Verizon and Vodafone.

JAC AUDIT STATISTICS

Collaboration sits at the heart of JAC’s mission, enabling members to work together to assess and strengthen labour, health and safety, environmental, ethical and management system standards across global supply chains.

This collective model delivers clear benefits, including reduced audit fatigue, increased transparency, standardised methodologies and improved cost efficiency for members and suppliers. Audits are conducted on-site by recognised independent third-party firms in accordance with the JAC Supply Chain Sustainability Guidelines.

Each year, members identify shared suppliers for sustainability assessment. Selection is undertaken solely for sustainability evaluation purposes and does not influence independent procurement decisions. Following supplier engagement and site identification, audits are allocated through a centralised coordination process.

Completed audits are shared via the Audit Management Platform (AMP), with corrective actions progressed by designated lead members. The AMP is strictly limited to sustainability audit results and corrective action follow-up. The platform does not exchange commercially sensitive information.

Likewise, the shared information relates exclusively to suppliers’ sustainability performance and excludes commercially sensitive data. Audit outcomes do not impose alliance-level consequences, and supplier decisions remain entirely independent to each member.

Progress against the audit programme and corrective action closure is reviewed regularly through Operational Assembly meetings, with updates provided at General Assemblies.

Further details on the audit process are available [here](#).

Mobile Workers’ Surveys complement on-site audits by capturing confidential worker feedback directly within supplier facilities.

The following data reflects audits and surveys completed and uploaded to the AMP between 1 January and 31 December 2025:

127 CSR AUDITS

24 MATERIALLY EQUIVALENT VALIDATED ASSESSMENT PROGRAMME (VAP) AUDITS

15 MOBILE WORKERS’ SURVEYS (MWS)



AUDIT DATA ASSUMPTIONS AND VERIFICATION

Reported figures are based on the following principles:

- Audits are counted upon completion and upload to the AMP. Nine audits conducted in 2024 are included, as reports were submitted in 2025.
- Audits completed but not uploaded by 31 December 2025 are excluded.
- Audits pending non-disclosure agreements are excluded.
- Supplier details within five VAP reports have been redacted for confidentiality.
- Supplier tier classification is defined by auditors, suppliers or designated lead members.
- Source data reflects AMP records as of 31 December 2025.
- All data has been verified against the Supplier Database, Audit History records and AMP documentation.

DEFINITION OF AUDITS AND SURVEYS

JAC recognises three assessment mechanisms:

CSR Audits (JAC)

Conducted on-site using the JAC Supply Chain Sustainability Guidelines and Audit Questionnaire by independent third-party auditors.

Validated Assessment Program (VAP)

Audits performed under the Responsible Business Alliance (RBA). JAC recognises these as materially equivalent, with minor methodological variations. VAP audits completed within the previous 24 months are reported in the year they are shared and reviewed.

Mobile Workers' Surveys (MWS)

Anonymous, mobile-enabled surveys capturing worker perspectives across key areas including human rights and health and safety. These assessments support and validate audit findings.

JAC IMPACT STATISTICS: KEY PERFORMANCE INDICATORS

The following table summarises the overall key performance indicators for the period.

JAC Impact Statistics: Key Performance Indicators – Audits in the period 1 January 2025 to 31 December 2025	Total
Total number of audits carried out¹ including:	151
JAC Audits	127
VAP Audits	24
Total number of Mobile Workers' Surveys (MWS)	15
Number of countries MWS covered	2
Total number of workers in facilities where MWS were carried out in	12,552
Number of different countries in which audits were carried out:	31
Top 3 countries where audits carried out in and number of audits	
China	91
Vietnam	13
India	7



Percentage of audits carried out in by regions	
Asia	75%
Europe	13%
Latin America	4%
Tiering of suppliers where JAC and VAP audits were performed ² :	
Tier 1	59
Tier 2	75
Tier 3	16
Tier 4	1
Corrective Action Plans (CAPs) raised from JAC audits in 2025	
794	
of which, the following 4 areas made up 87% of all findings:	
Health & Safety	50%
Working Hours	15%
Environment	12%
Business Ethics	10%
Corrective Action Plans closed from JAC audits in 2025	
221	
Number of CAPs in different categories by percentage of total	
Priority – A major non-conformance with significant and immediate danger to life or serious injury to persons and environment.	10%
Major – A major non-conformance with no immediate danger or serious injury to persons and environment but represent a significant failure to the management system.	59%
Minor – An evident and not isolated non-conformance with the question items of the check list (not covered by the Priority or Major items).	31%
JAC Audit Scores – Percentages per class for 2025	
Excellent, Class A >= 90	28%
Overall CSR performance was found in very good practice according to below mentioned evidence:	
* The factory has established a comprehensive and very good operation system which is under effective control.	
Good, Class B >= 70 and < 90	47%
Overall CSR performance found in good control but there is also improvement space in the following areas:	
* The operation system has been well established, but implementation still reveals some gaps and/or	
* The operation system has not been well established but is still under suitable control.	
Conditionally accepted, Class C >= 60 and <70 (Conditional Acceptable)	2%
Overall CSR performance was found in conditional acceptable control according to the following non-conforming areas:	
* Operation system has been established, but was found incomplete due to some functionality gaps such as:	
* The system is not completely implemented	
* The system reveals some major problems	
Poor, Class D < 60 (Poor)	23%
Overall CSR performance found in poor control according to the following non-conforming areas:	
* No operation system has been established.	
* The system has not been adequately implemented.	
* The system reveals significant problems that can even lead to a crucial system breakdown	

¹ Some audits completed and uploaded to the platform were performed in 2023/2024 but shared in the 2025 Audit Campaign.

² Tiers are defined as upstream in the supply chain e.g., Tier 1 is the direct supplier to a JAC member, Tier 2 suppliers are subcontractors/ supplier to the Tier 1 supplier. Tier 3 are suppliers or subcontractors to Tier 2 suppliers. Tiering of suppliers is set by a third-party CSR Auditor, by a supplier or by a JAC Member. Percentages have been rounded to the nearest whole number.



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WORKING GROUP OVERVIEWS

JAC's working groups provide a structured forum for members to address priority topics and shared challenges.

Representatives from member companies collaborate to exchange best practices and drive sustainability improvements across the supply chain.

This report highlights three key working groups:

CLIMATE CHANGE
SUPPLY CHAIN DUE DILIGENCE
CIRCULARITY





WORKING GROUP OVERVIEW

CLIMATE CHANGE

Advancing climate action across the ICT value chain remains a central priority for JAC. The Climate Change Working Group continues to support members' progress towards Net Zero by strengthening collaborative supplier engagement and accelerating decarbonisation beyond direct operations. (ESRS - E1)

Building on earlier foundations, the group focuses on sharing best practices, supporting science-based reduction ambitions, and disseminating guidance established through JAC's Climate Change Report and Sustainability Guidelines. (ESRS - E1)

Participation remained strong in 2025. The Working Group was initially chaired by Telefónica before leadership transitioned to co-chairs from BT Group and Orange, who will continue guiding the group into 2026. Coordination was provided by epi. (ESRS - E1)

The group's activities centred on two collaborative programmes and one member-led initiative:

SUPPLIER ENGAGEMENT PROGRAMME (SEP)

The SEP supports the development of greenhouse gas (GHG) management capabilities across ICT sector suppliers. (ESRS - E1)

During 2025, 737 suppliers were assessed using corporate climate disclosure data and evaluated across six maturity levels, from early-stage development to sustainability leadership. Based on self-disclosed emissions data, participating companies collectively represent an estimated 2.5 GtCO₂e of annual global emissions. While only a portion of these companies' activities relate directly to ICT supply chains, the programme aims to influence emissions management practices across suppliers' broader operations. (ESRS - E1)

Suppliers were segmented into four groups based on maturity levels and business models. Tailored knowledge-sharing webinars addressed both foundational and advanced decarbonisation topics relevant to services and product manufacturing. Sessions featured contributions from epi Consulting, the Science-Based Targets Initiative (SBTi), and case-study insights from selected companies/suppliers. (ESRS - E1)



As 2025 was the programme's second year, measurement of year-on-year progress in the supply chain was possible for the first time. Among suppliers participating in both 2024 and 2025, 33% improved their maturity rating, while overall average scores increased by 9%, indicating continued advancement in emissions management capability and reporting transparency.

At the end of 2025, high-performing suppliers were formally recognised through the SEP recognition programme.

CARBON REDUCTION PROGRAMME (CRP)

Complementing the SEP, the Carbon Reduction Programme focuses on decarbonisation of products and services supplied to JAC members. (ESRS - E1)

In 2025, the programme engaged 52 suppliers representing the greatest impact on members' Scope 3 emissions. Participating suppliers were supported in developing carbon footprints, identifying emissions hotspots, and defining reduction pathways.

By year-end:

- 70 carbon footprint studies submitted and reviewed
- 15 reduction plans initiated (with a further 17 in development)
- Measured reductions achieved across four products

Planned reductions ranged from 5% to 40% per unit, depending on product type and implementation timelines.

Programme outputs were shared across members to support Scope 3 reporting, supply chain risk management and individual, independent supplier engagement.

CONTRACT CLAUSES SUB-GROUP

During 2025, the Contract Clauses Sub-Group developed a best-practice template climate clause to support members in integrating sustainability considerations into supplier agreements.

The clause is designed to improve Scope 3 emissions data quality and encourage alignment of emissions reduction ambitions across supplier relationships. Adoption remains completely voluntary, allowing members flexibility in application.

Alongside the legal text, accompanying guidance was developed to support interpretation and practical implementation.

The framework was informed by JAC member requirements, the SEP maturity model, recognised Scope 3 guidance, and resources from The Chancery Lane Project.

COLLECTIVE IMPACT

Taken together, these programmes strengthen climate awareness, support collective mitigation efforts, and enhance long-term supplier climate management practices across the ICT value chain.





WORKING GROUP OVERVIEW

SUPPLY CHAIN DUE DILIGENCE

Strengthening responsible business conduct across the global ICT supply chain remained a central priority in 2025. During the year, JAC members actively participated in the Due Diligence Workstream, concentrating on areas where collaboration delivers meaningful impact. (ESRS - S2)

Built on the UN Guiding Principles on Business and Human Rights and the OECD due diligence framework, the workstream focuses on shared risk assessment, supplier engagement and capacity building, grievance and remediation mechanisms, and the exchange of best practices addressing salient human rights risks. These include excessive working hours, health and safety, fair remuneration, labour rights infringements, forced labour and child labour. (ESRS - S2)

The scale and complexity of ICT supply chains continue to present significant challenges. Multi-tier subcontracting, labour-intensive manufacturing and widespread reliance on migrant or temporary labour heighten human rights risks, reinforcing the importance of coordinated, industry-wide approaches. (ESRS - S2)

Throughout 2025, members prioritised strengthening JAC's collective due diligence foundations. Key developments included the introduction of a common risk assessment methodology, a comprehensive audit process review, and the launch of a supplier capacity building programme. (ESRS - S2)

The workstream also supported broader alliance initiatives, contributing to the JAC Supplier Forum in Hong Kong and establishing the JAC Best Practice Awards. In parallel, JAC strengthened its partnership with Save the Children and The Centre for Child Rights and Business, supporting the Child Rights Action Hub addressing child labour risks in cobalt mining communities. (ESRS - S2)

Looking ahead to 2026, the working group will shift from framework development to scaled implementation. Priorities include deploying JAC's digital due diligence platform, introducing the updated audit process, expanding supplier engagement activities, and further strengthening grievance and remediation pathways. (ESRS-S2)



WORKING GROUP OVERVIEW

CIRCULARITY

Circularity became an increasingly prominent priority for JAC in 2025, with participation expanding significantly. (ESRS - E5)

By year-end, JAC members were actively engaged, reflecting a shared ambition to accelerate circular transformation across the ICT and telecom value chain. (ESRS - E5)

The Working Group convened monthly to review progress, exchange best practices and advance collaborative initiatives. Additional voluntary sessions explored assessment criteria, supplier engagement strategies and approaches to overcoming common circularity challenges. (ESRS - E5)

Activities throughout the year centred on three core areas:

- Supplier Engagement Strategies
- Second-Life Equipment Platforms
- Circular Telco Transformation



KEY INSIGHTS AND BENEFITS

The Working Group's discussions and case studies reinforced circularity as a powerful driver of both environmental and strategic value.

Extending equipment lifecycles and enabling second-use applications deliver substantial emissions reductions. In many scenarios, carbon impacts were reduced by up to 50%, with certain product categories achieving reductions approaching 90%, particularly where manufacturing dominates lifecycle emissions. As a result, circularity remains one of the most effective levers for addressing Scope 3 emissions. (ESRS - E5)

Waste reduction continues to be a key consideration. With many members pursuing zero waste to landfill objectives, practices such as reuse, refurbishment and repair play an increasingly important role. (ESRS - E5)



Alongside environmental benefits, circular practices can also contribute to more efficient use of resources across the ICT value chain. Extending equipment lifecycles through reuse or refurbishment can reduce the need for new manufacturing, particularly where refurbished products perform comparably to newly manufactured alternatives. In addition, the reuse or redeployment of surplus equipment, supports sustainability objectives by helping to avoid unnecessary waste. (ESRS - E5)

Circularity also strengthens supply chain resilience. Recent global disruptions highlighted vulnerabilities within manufacturing-dependent supply chains, while expanded pools of pre-owned equipment have proven effective in mitigating risk and supporting operational continuity. (ESRS - E5)

To align with global best practice, the Working Group reviewed leading circular economy frameworks alongside telecom-specific design considerations, including modularity, spare parts availability and repairability. This work informed the development of a supplier circularity scorecard, a key 2025 milestone scheduled for release in early 2026. (ESRS - E5)

In parallel, market platforms supporting the sourcing and resale of second-life equipment were evaluated to support the scaling of circular procurement practices and maximise emissions avoidance potential. (ESRS - E5)

Peer learning remained central throughout the year. Members shared practical case studies, including Orange’s OSCAR programme, KPN’s supplier engagement initiatives and Telstra’s fibre optic waste management approach, strengthening collective capability across the alliance. (ESRS - E5)

Discussions within the working group focused on sustainability best practices and did not involve coordination of procurement decisions, supplier selection or commercial strategies. (ESRS - E5)

CONCLUSION

Delivering circularity at scale requires coordinated transformation across the value chain. Despite operational and structural challenges, the combined benefits of emissions reduction, waste avoidance, financial efficiency and resilience enhancement position circularity as a critical strategic priority for JAC.

Progress achieved during 2025 provides a strong foundation for deeper circular transformation in 2026 and beyond. (ESRS - E5)



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ADDRESSING CHILD LABOUR WITH SAVE THE CHILDREN

RESPONSIBLE COBALT SOURCING

Cobalt remains essential to rechargeable lithium-ion batteries powering smartphones, laptops, network devices and a wide range of ICT technologies. With a significant proportion of global cobalt production linked to artisanal and small-scale mining (ASM) in the Democratic Republic of the Congo, where child labour risks persist, responsible sourcing is closely connected to responsible ICT supply chains.



**Save the
Children**

THE CHILD RIGHTS ACTION HUB

In response to this challenge, a sub-coalition of JAC members formed a strategic partnership with Save the Children, which has in turn connected them to The Centre for Child Rights and Business's Child Rights Action Hub in the DRC. Based in Kolwezi and Tenke Fungurume, the Action Hub provides long-term, child-centred remediation for children removed from hazardous mining work while strengthening community-based child labour prevention.

When cases are identified, children are referred to the Action Hub for tailored support, including education assistance, medical care, psychosocial services and ongoing case management to enable sustainable reintegration and prevent reengagement in child labour. The programme also promotes family stability through sibling education and targeted livelihood support for parents.



JAC'S CONTRIBUTION

Since joining the initiative as a strategic partner in 2025, JAC has played an important role in reinforcing the Action Hub's remediation capacity. JAC members currently support approximately one-fifth of children enrolled in the programme, reflecting the coalition's meaningful contribution to long-term impact within cobalt mining communities.

Beyond individual cases, this collective engagement strengthens sector-wide Human Rights Due Diligence efforts and demonstrates how coordinated action can deliver tangible improvements for affected children and families.

LOOKING AHEAD

Strengthening and scaling this partnership remains a priority. In the years ahead, JAC aims to expand coalition-wide participation, formalise programme integration and further enhance support mechanisms. Continued collaboration with implementing partners will help extend the programme's reach while reinforcing responsible sourcing practices across the ICT value chain.

[Child Rights Action Hub DRC - The Centre for Child Rights and Business](#)





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THE GENERAL ASSEMBLY (ZURICH)

The 2026 JAC General Assembly will be held in Zurich, Switzerland, from 13 to 14 October 2026.

The Assembly will centre on strengthening the resilience of global telecom supply chains. Immediately following the meeting, JAC will convene a dedicated Supplier Forum (15 October), bringing together key suppliers to collaborate on solutions addressing ESG priorities across the value chain. (ESRS - S2)





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CONTACT DETAILS

For further information on JAC, its member companies and collaborative initiatives across global ICT supply chains, please visit the Joint Alliance for CSR website. There you can explore our audit programme, working groups, events and publications.

To learn more, discuss collaboration opportunities or submit an enquiry, please contact us at jacsupport@jointallianceforcsr.org.



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GLOSSARY

This glossary provides definitions for key terms used throughout the European Sustainability Reporting Standards (ESRS). It supports a clear and consistent understanding of terminology referenced within this report

Code	Full name / Title	Short description (for readers)
ESRS	European Sustainability Reporting Standards	The EU's sustainability reporting standards under the CSRD (Corporate Sustainability Reporting Directive). ESRS guide ESG information disclosures, so that the disclosures are consistent, comparable and decision-useful for stakeholders.
ESRS 2	General Disclosures	Cross-cutting standard defining general disclosure requirements on governance, strategy, impacts, risks and opportunities.
ESRS 2 - GOV1	Governance – Roles and responsibilities of the administrative, management and supervisory bodies	Requires disclosure of the governance bodies' roles in overseeing sustainability matters.
ESRS 2 - GOV2	Governance – Information provided to and sustainability expertise of the administrative, management and supervisory bodies	Requires disclosure of what information and expertise boards have on sustainability topics.
ESRS - S2	Workers in the Value Chain	Social standard covering impacts, risks and opportunities related to workers in the value chain.
ESRS - E1	Climate Change	Environmental standard on climate change mitigation, adaptation, and related transition risks.
ESRS - E5	Resource Use and Circular Economy	Environmental standard covering resource-use efficiency, circularity and waste management.