



Welcome to the BT Group Business Briefing on Digital Impact and Sustainability

30 November 2018

Welcome

Gavin Patterson
Chief Executive



Agenda

1 Welcome and overview

Gavin Patterson
Chief Executive

Jasmine Whitbread
Independent Non-Exec Director and Chair of the CSRB¹

2 A new digital impact and sustainability approach

Andy Wales
Chief Digital Impact & Sustainability Officer

3 Human & digital rights

Moira Oliver
Group Head of Policy & Chief Counsel, Human & Digital Rights

4 Inclusion & diversity

Candice Cross
Group Head of Diversity and Inclusive Culture

5 Climate action journey

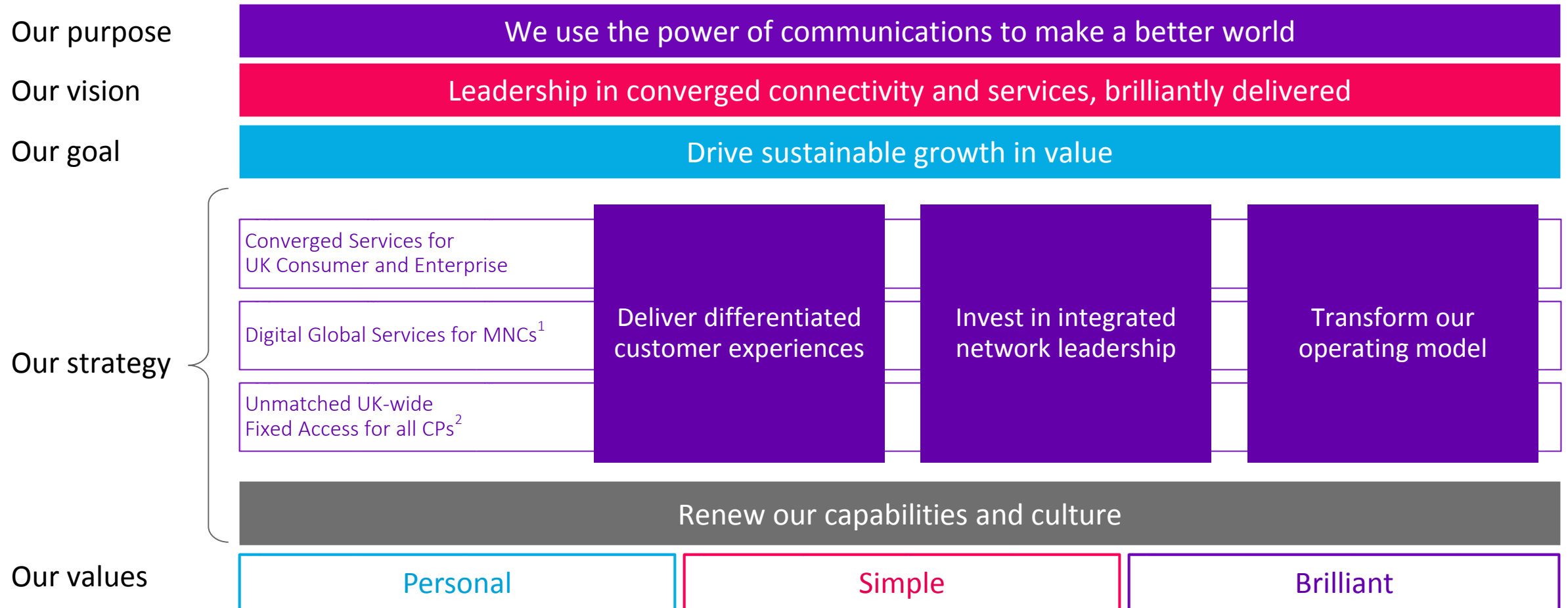
Gabrielle Ginér
Group Head of Environmental Sustainability

6 Q&A



¹Committee for Sustainable and Responsible Business

Our purpose drives our entire strategy



¹ Multi-National Corporations ² Communications Providers



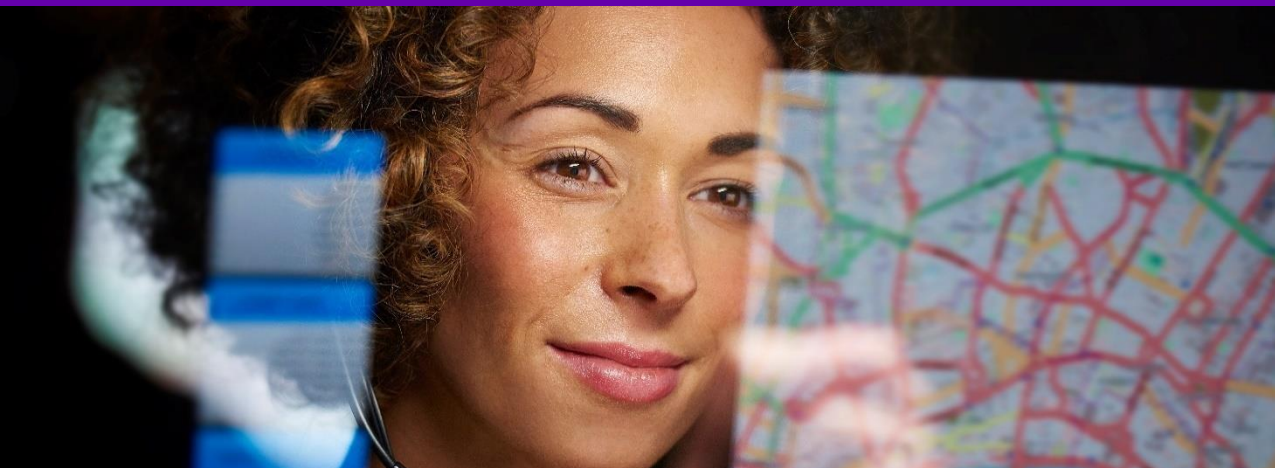


Digital skills with the Barefoot programme



Human rights and tackling modern slavery

BT - a leadership journey



Gender equality



Climate action

Jasmine Whitbread

Independent Non-Executive Director and Chair of the CSRB



Committee for Sustainable and Responsible Business

Composition

Two non-executive members

Jan du Plessis

Chairman

Jasmine Whitbread

Independent Non-Exec & Chair of the CSRB

Three external independent members

Lisa MacCallum

Formerly ran the Nike Foundation

Gunhild Stordalen

Founder of the EAT Foundation

Phil Hodgkinson

Chair, Action Medical Research

Four internal executive members

Gavin Patterson

Chief Executive

Ed Petter

Group Corporate Affairs Director

Alison Wilcox

Group HR Director

Andy Wales

Chief Digital Impact & Sustainability Officer



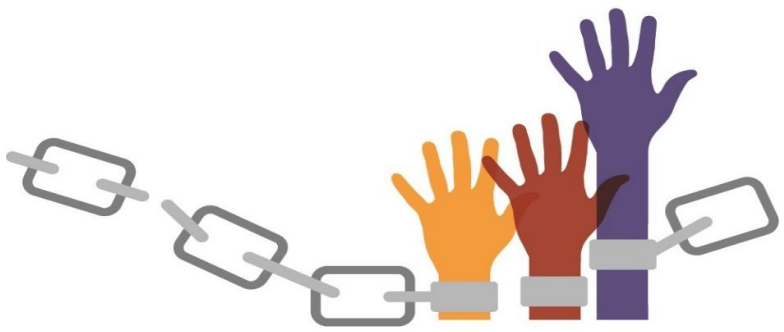
The UK will need an additional 0.5 million workers in digital industries by 2022



By 2022, only 30% of the digital workforce will be women



A time of challenge and opportunity for the UK & BT



Over 40 million people are in some form of slavery around the world



UK target to reduce carbon emissions by 80% by 2050

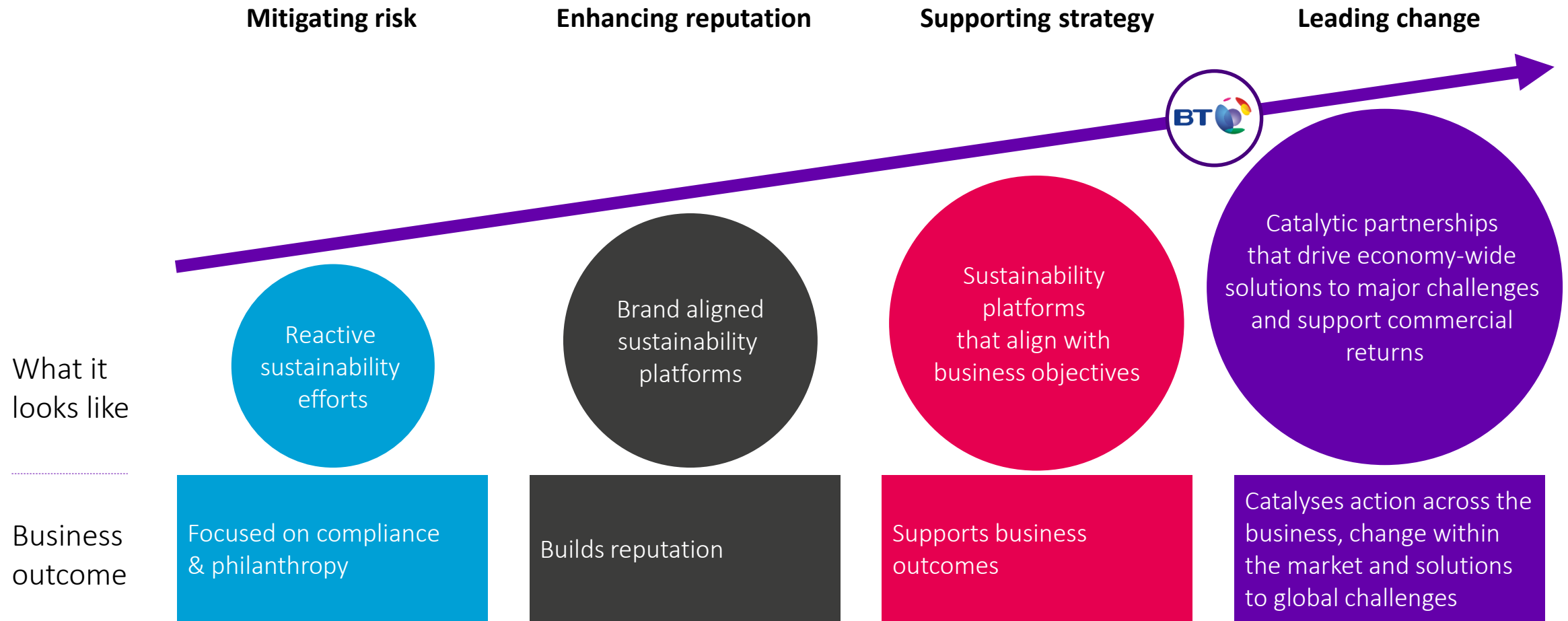
A new digital impact and sustainability approach

Andy Wales

Chief Digital Impact & Sustainability Officer

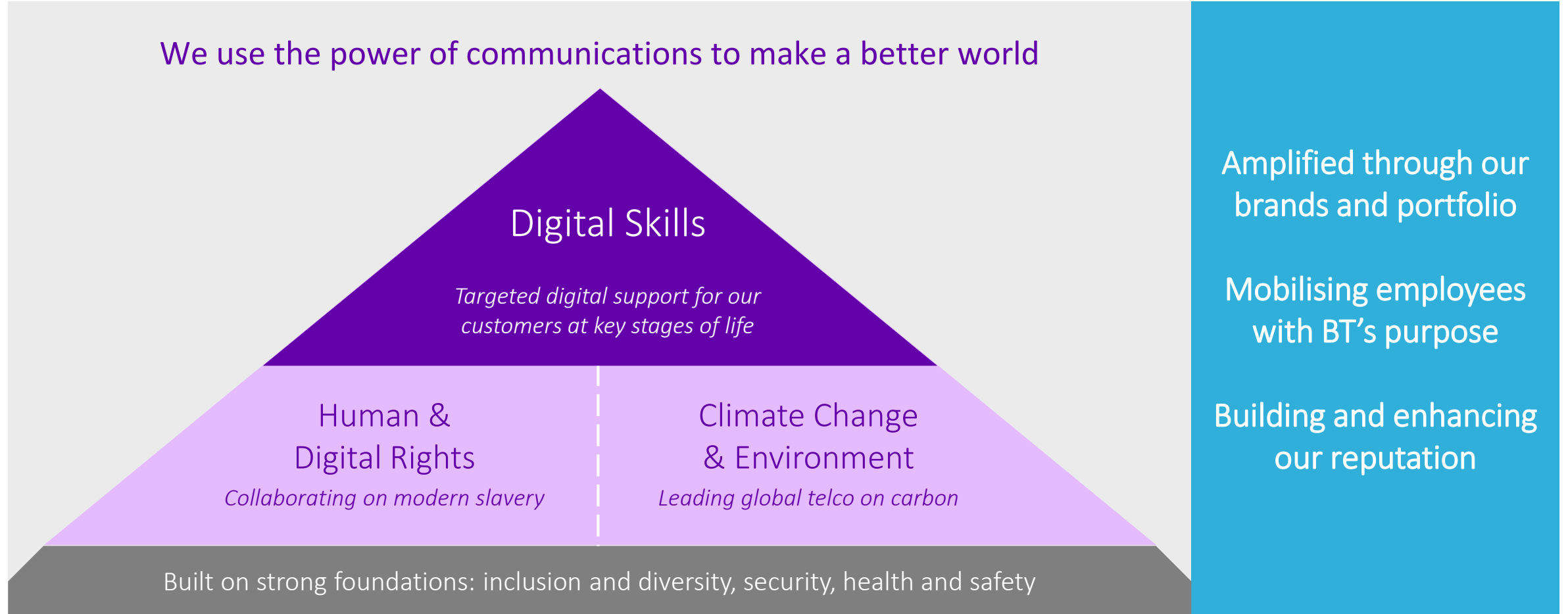


BT aims to step up its societal leadership



Based on Accenture analysis

Scaling up our focus on digital skills



The UK faces a major digital skills challenge

65% of children starting school today will hold jobs that don't yet exist¹

11.3m adults do not have basic digital skills
– largely unchanged over recent years²

3 in 4 UK businesses report internal digital skills gaps³.
The estimated cost of the gap to the UK of **£63bn / year**³

Women will only represent **30%** of the UK's digital workforce by 2022⁴

¹ New Skills Now – Accenture 2017 ² Lloyds UK Consumer Digital Index 2018 ³ DCMS, 2018 ⁴ BITC, Brace New World

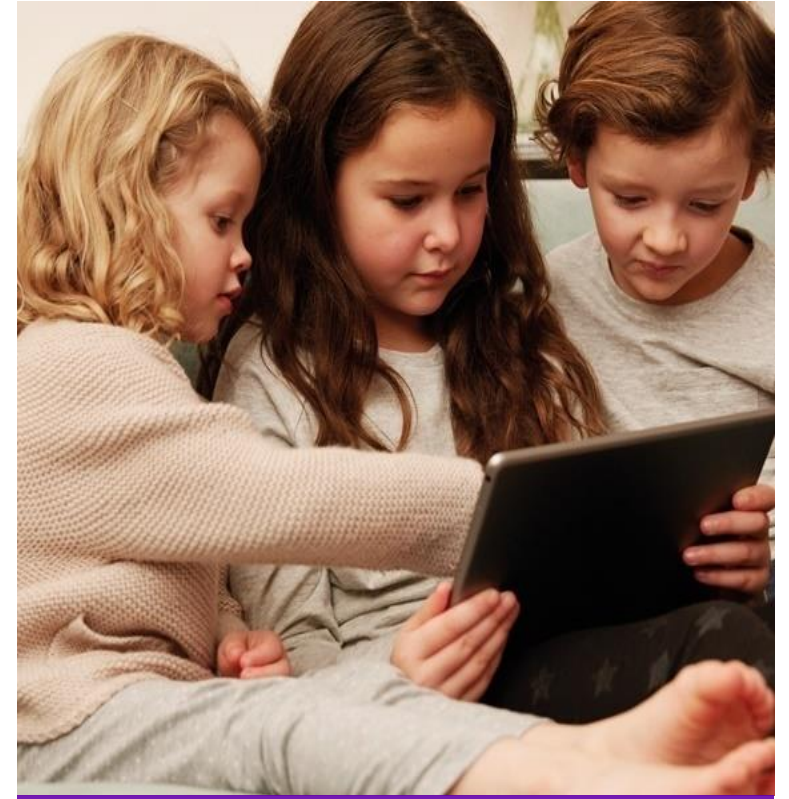
But people don't see it that way: insights from research*



It's not about 'digital skills'...



This is a question of control



Changing mindsets

* BT research (2018)

Working parents present the biggest opportunity

AT HOME

Working parents

AT WORK



Not targeted by existing digital skills programmes
28.9m people live in households with dependent children
Core BT customer and largest commercial opportunity

Older people



Children



SMEs and other employers





Digital skills challenge

BT will scale up its drive to help people get more from tech

We'll focus in three areas:

Your family



Your business



Your life



Current partners:



Delivered through:

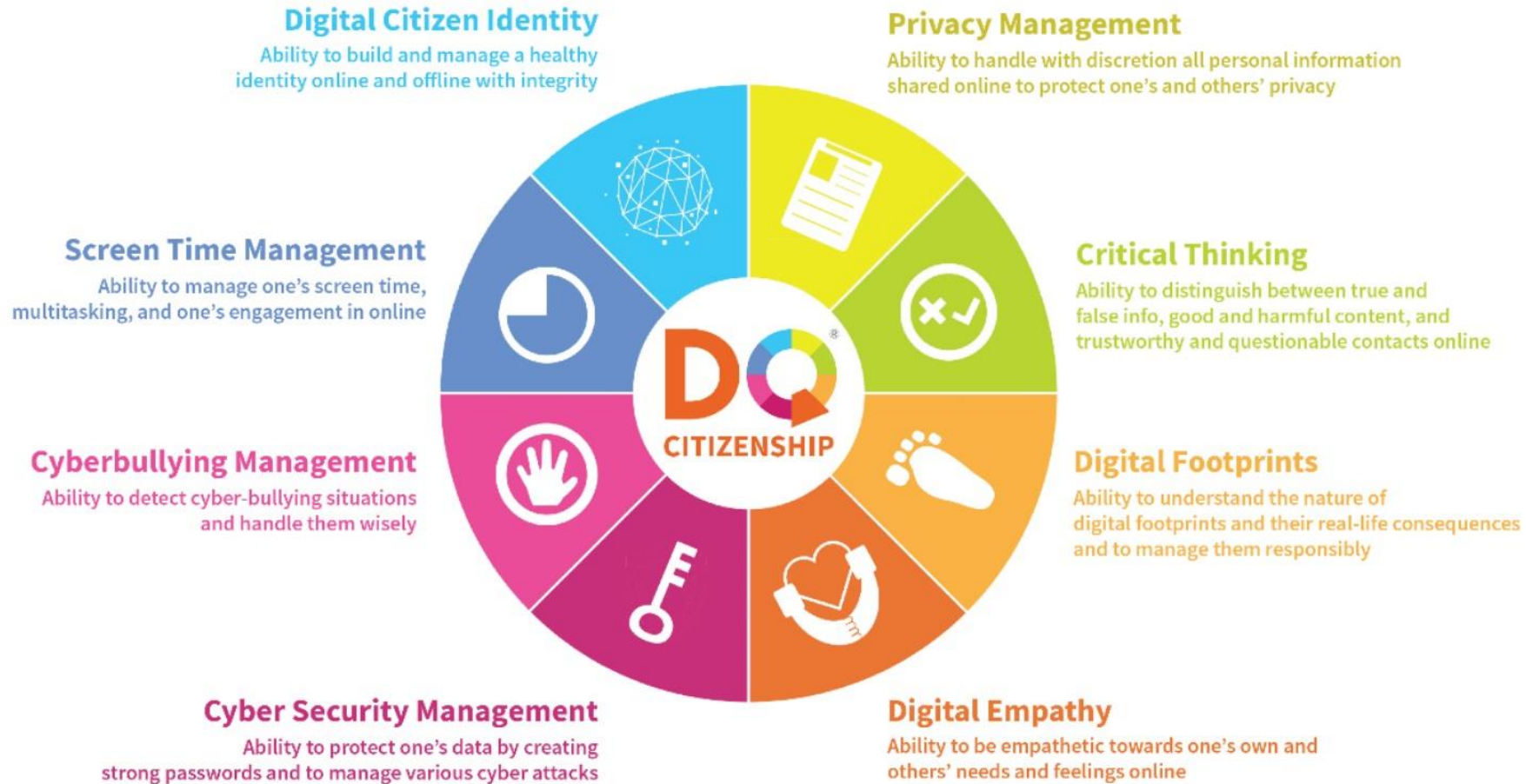
Campaigns, schools, home, workplaces, stores and community

BT Sport

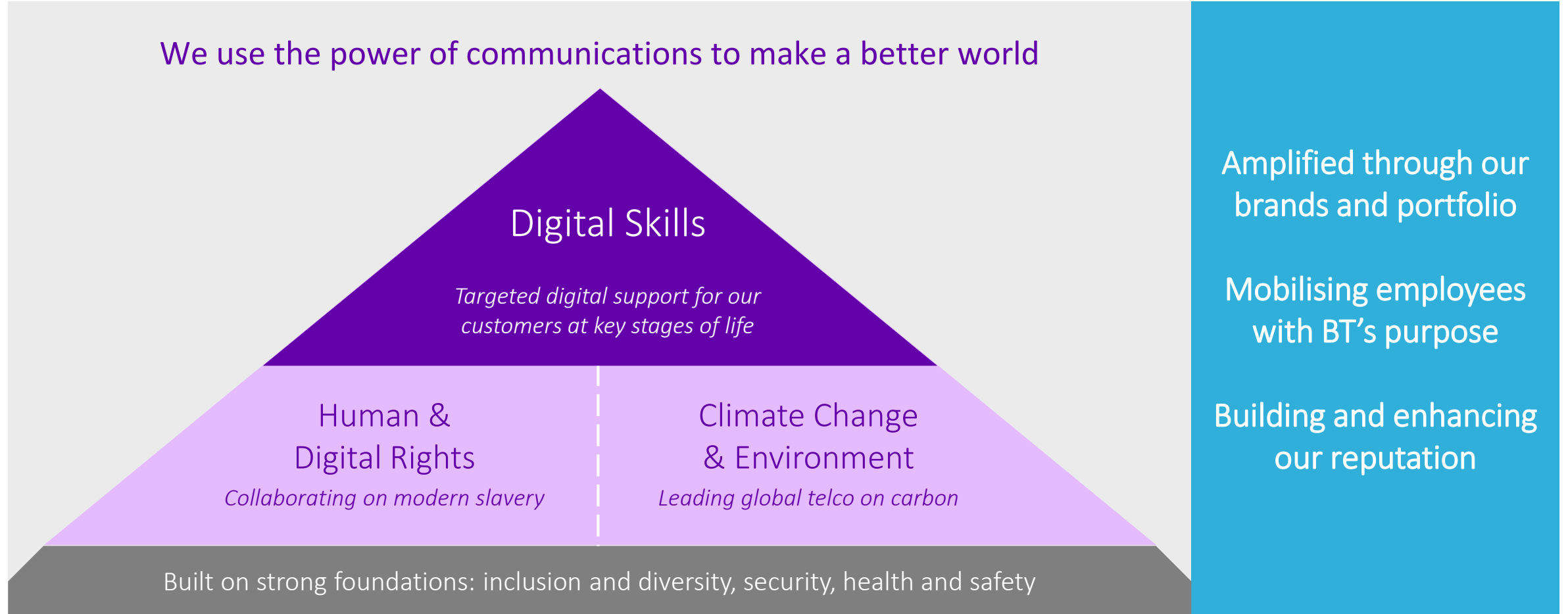
Google Digital Garage

BT Sport/Google Garage

Utilising the best available global frameworks as we design our programmes



Scaling up our focus on digital skills



Human and digital rights

Moira Oliver

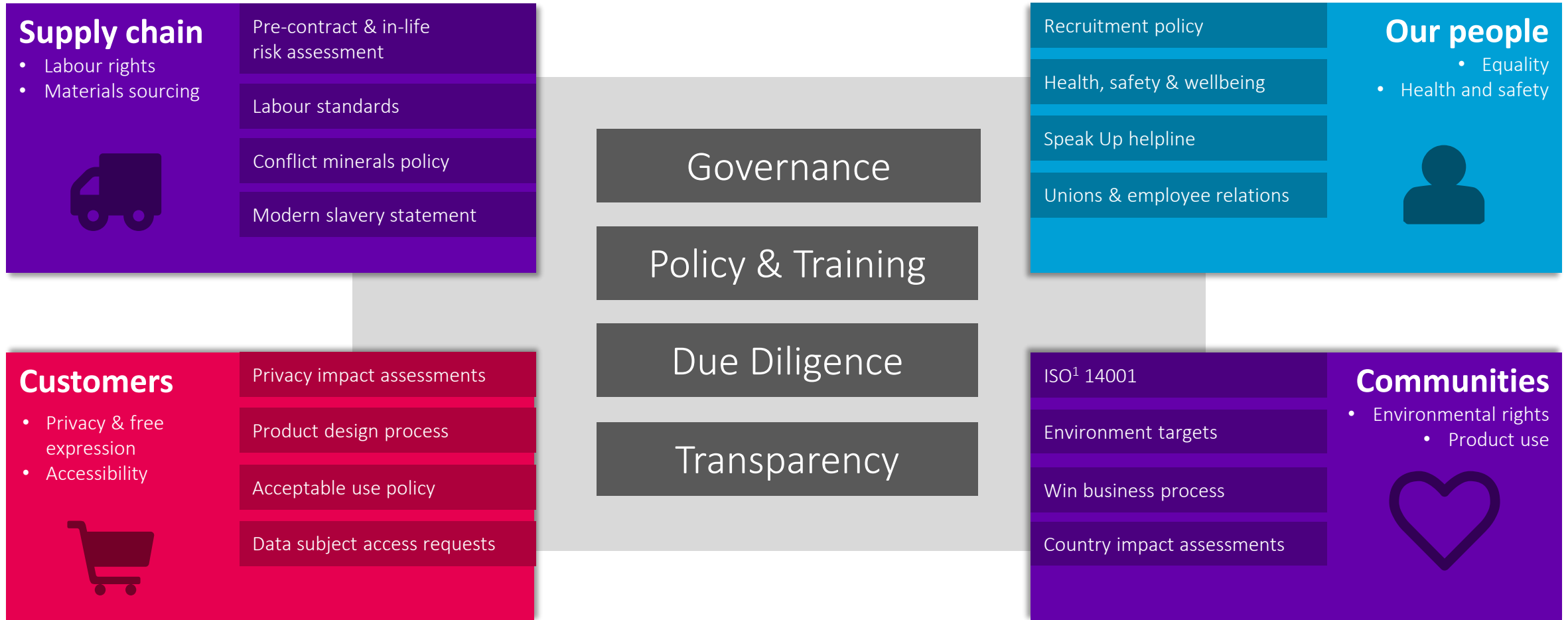
Group Head of Policy & Chief Counsel, Human & Digital Rights



“The same rights that people have offline must also be protected online.”

The UN Human Rights Council in 2017

Embedding policy and behaviours



¹ International Organization for Standardization

Human rights in a digital age



Safeguarding digital rights in privacy



Safeguarding digital rights in free expression



Tackling modern slavery



Responding to artificial intelligence



Collaborating to protect human rights in sport

Safeguarding digital rights

Privacy



- GDPR¹
- Investigatory powers



Free expression



- Safeguarding online rights
- Transparency

¹ General Data Protection Regulation

Tackling modern slavery

Partnering with Government



Tech Sector



Consumers



Responding to artificial intelligence

Artificial Intelligence

- We have a 20-year history in AI research
- This supports network planning, network security and protects customers from nuisance calls
- We're engaged in the developing debate

Collaborating to protect human rights in sport



Broadcaster Taskforce



Evolving expectations

Increasing transparency



- Corporate Human Rights Benchmark
- Workforce Disclosure Initiative

Increasing legislation



- Modern Slavery Act review
- UN¹ Treaty on Business & Human Rights

¹ United Nations

Inclusion and diversity

Candice Cross

Group Head of Diversity and Inclusive Culture



Our global inclusion & diversity journey



Annual overview and highlights from 2018

Our focus areas:

Building the pipeline

Growing our capability

Creating an inclusive environment

Building sponsorship

Performance and ambitions:

Gender

	2017	2018
SLT¹	19%	23%

Ambition of 30%²

SMT³	34%	32%
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Ambition of 40%²

Ethnicity

SLT	6%	9%
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Ambition of 12%²

SMT	6%	9%
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Ambition of 15%²

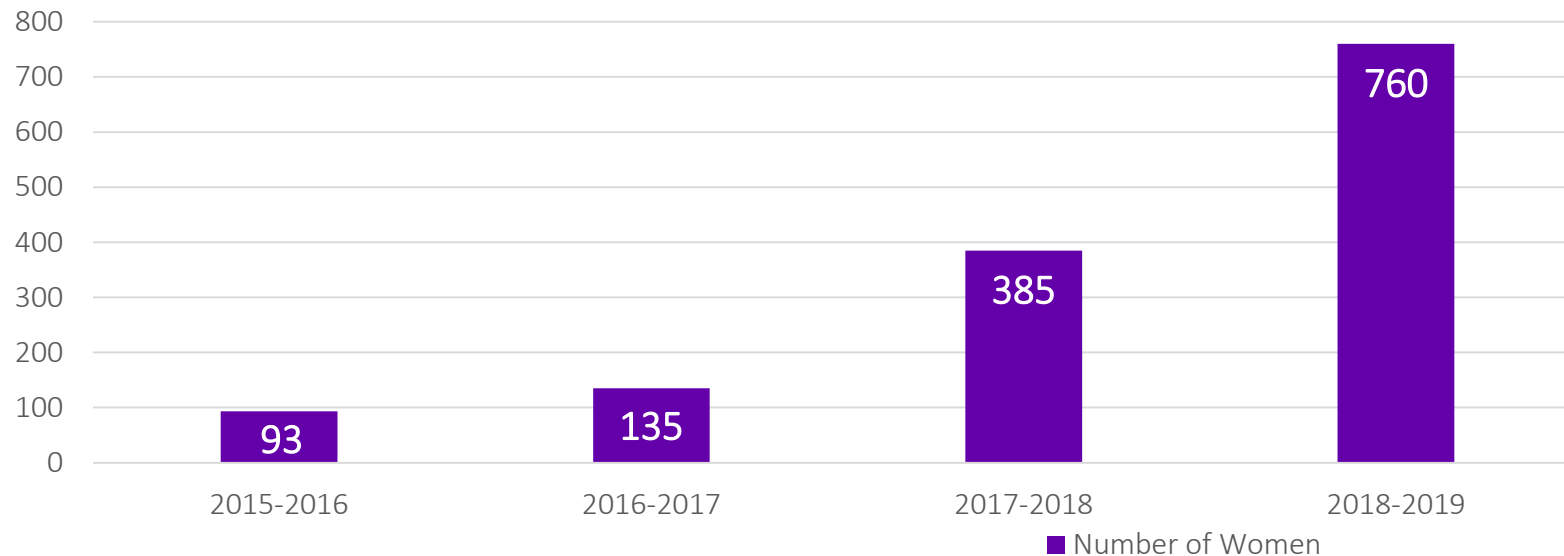
¹ Senior Leadership Team – top 100 leaders

² By end of FY20/21

³ Senior Management Team – top 600 leaders

TechWomen – female leadership development programme

TechWomen programme joiners



Feedback from participants:

96% (+23%)

Are currently confident or very confident about having confidence in the workplace

83%

Agreed/strongly agreed the programme is meeting the development needs they set out when they applied

94%

Would recommend the programme to others

80%

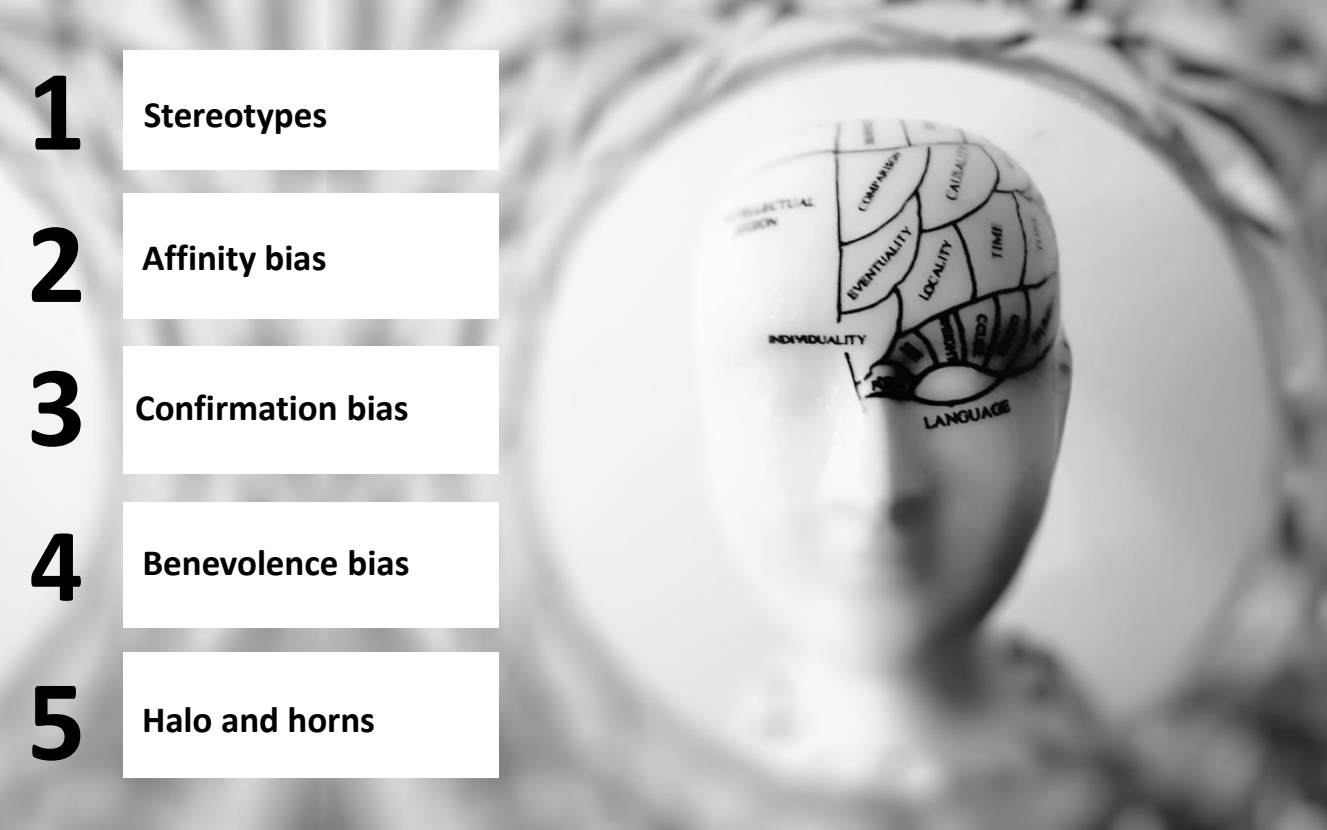
Are likely/very likely to actively look to pick up a new role/challenge/promotion in the next 12 months

A woman with shoulder-length brown hair, wearing a white button-down shirt, is the central focus of the image. She has a neutral expression and is looking slightly to the right of the camera. The background is a blurred office environment with several other people working at desks. A purple rectangular overlay is positioned at the bottom right of the image, containing the text 'TechWomen' in white.

TechWomen

Inclusion is Personal – unconscious bias, inclusive leadership and decision making

Common issues:



- 1 Stereotypes
- 2 Affinity bias
- 3 Confirmation bias
- 4 Benevolence bias
- 5 Halo and horns

Inclusion is Personal programme:



- Inclusion is Personal (IIP) Espresso Shot
- 12 month team workouts
- Inclusive leadership
- Inclusive recruitment

Inclusion toolkit
– videos, exercises, guidance

Awards and recognition



Climate action journey

Gabrielle Ginér

Group Head of Environmental Sustainability



Climate change is a major challenge and opportunity

Nations Unies
Conférence sur les Changements Climatiques 2015
COP21/CMP11
Paris, France

ipcc
INTERGOVERNMENTAL PANEL ON climate change
Global Warming of 1.5°C
An IPCC special report on the impacts of global warming of 1.5°C above pre-industrial levels and related global greenhouse gas emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty

Committee on Climate Change

The Role of ICT in Reducing Carbon Emissions in the UK

BT

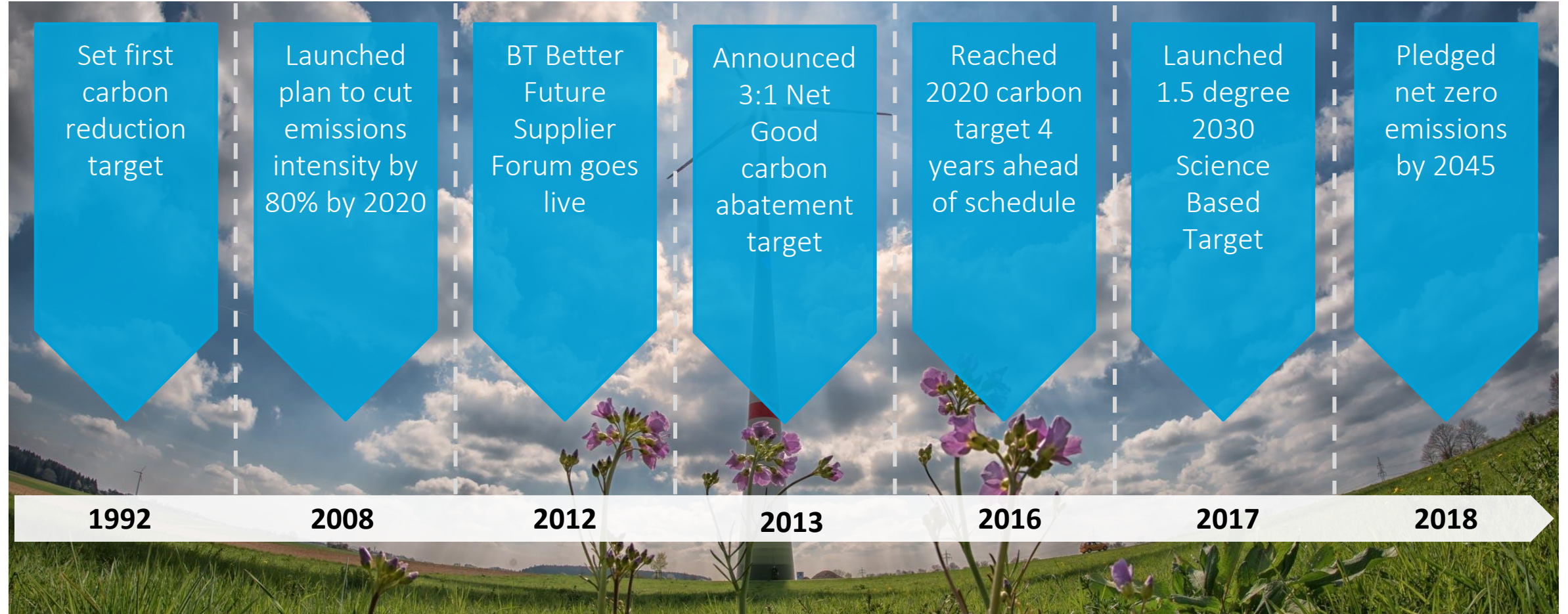
GREEN GB

Last year our products and services helped our customers avoid over **11 million tonnes** of carbon

ICT¹ has the potential to enable a **20% reduction** of global CO2 emissions by 2030

¹ Information and communications technology

BT's climate action journey



Our awards for environmental sustainability leadership

'A' rated on climate and on supplier engagement leader board



Top FTSE100 company for carbon measurement and reporting

ecoact

8th most sustainable business in the world
The world's greenest telco

Newsweek

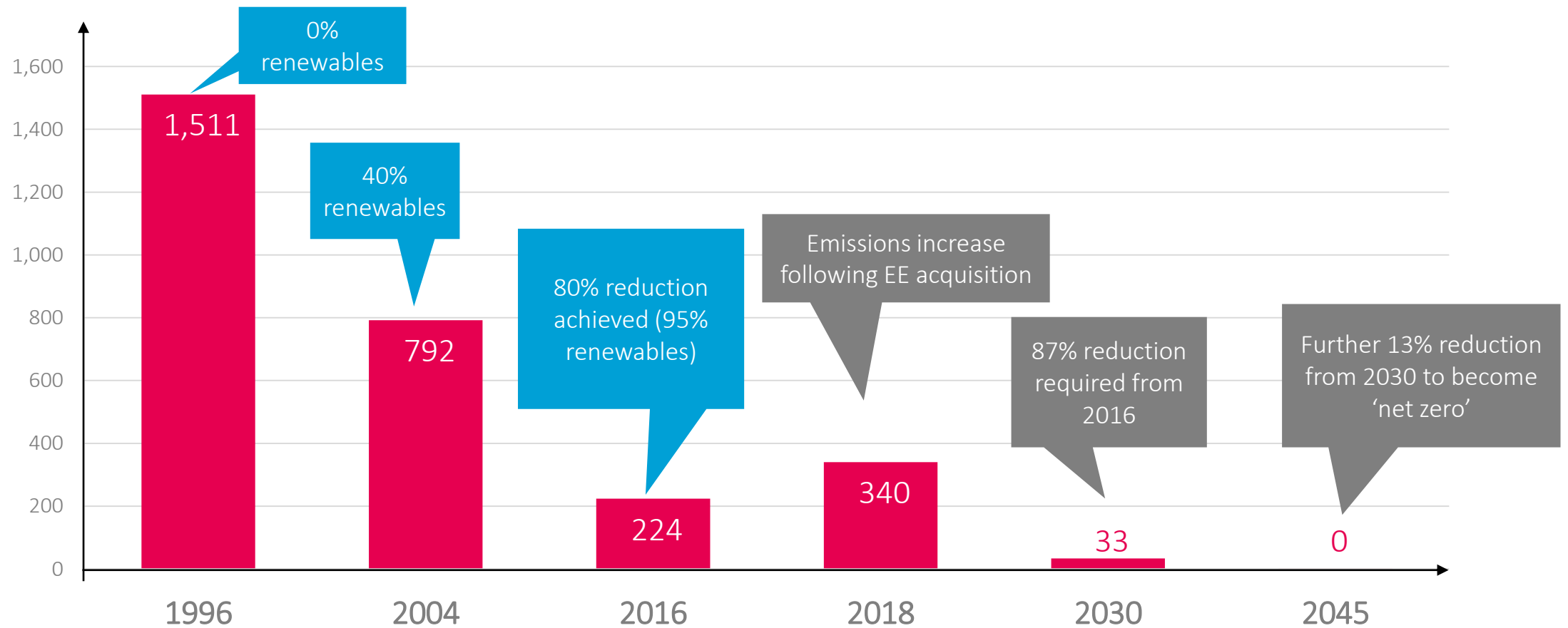


Sustainability team of the year
Supply chain project of the year

businessGreen
LEADERS AWARDS
2018

Net zero – our journey so far

BT's scope 1 and 2 carbon emissions (ktCO₂e)



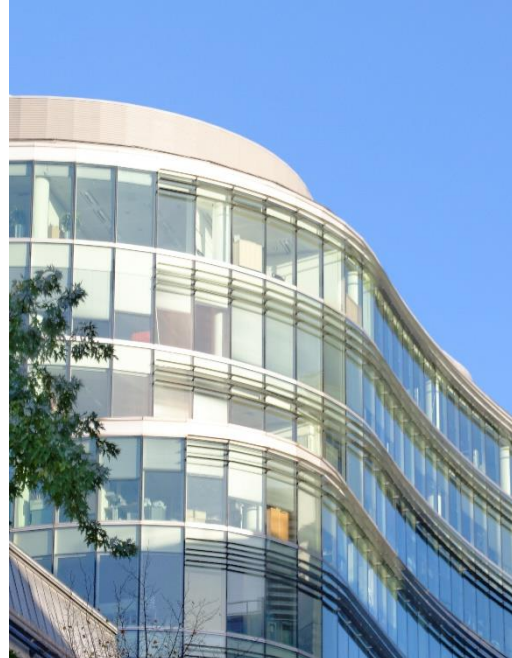
How we will meet our long-term carbon reduction targets



Renewable electricity



Ultra low emission vehicles



Heating of buildings

Replace HFCs¹

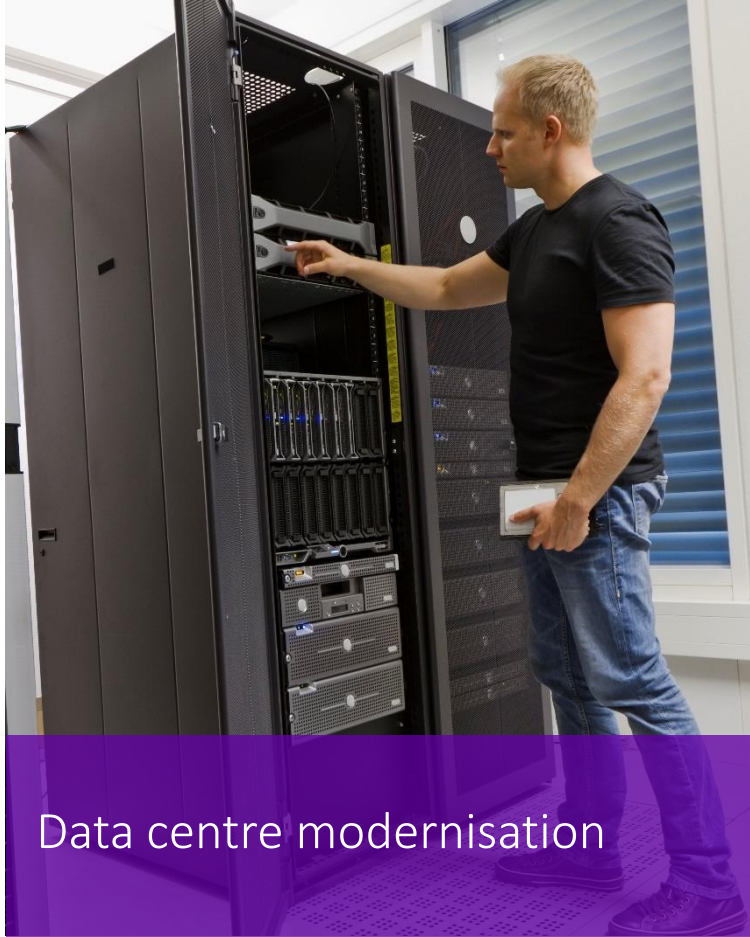
Decarbonise diesel generators

Offset business travel

¹HFC = Hydrofluorocarbons

Benefits achieved

Since our base year of 2009/10, we've made savings of £250m through our energy efficiency programme



Data centre modernisation



Network optimisation



Buildings

How we'll reduce our supply chain carbon emissions

18,000+ suppliers with
a global spend of £14.1bn

Focus on carbon reduction
through CDP¹ disclosure,
new contract clause and renewables

Collaborating on innovation



Redesigning BT home phones to
conserve resources

¹ Carbon Disclosure Project

What's next for BT

- Continue to open source and collaborate
- Lead by example and share best practice
- Send demand signals and drive innovation



Andy Wales

Chief Digital Impact & Sustainability Officer



The new approach will drive better alignment to our growth strategies

Supporting growth

Digital skills supporting demand for connectivity and additional services

Brand value

Attracting and retaining customers
Employer of choice



Cost savings

Drive energy efficiency
Supplier energy and carbon savings

Risk reduction

Supply chain human rights
Digital rights debates

Q&A

We use the power of communications to make a better world

Digital Skills

Targeted digital support for our customers at key stages of life

Human & Digital Rights

Collaborating on modern slavery

Climate Change & Environment

Leading global telco on carbon

Built on strong foundations: inclusion and diversity, security, health and safety

Amplified through our brands and portfolio

Mobilising employees with BT's purpose

Building and enhancing our reputation

