

We connect for good

Accelerating growth through tech that's responsible, inclusive and sustainable

2024

(Enclosed content is based on year-ending 31 March 2024 data)

Our Manifesto commitments

Accelerating growth through technology that's responsible, inclusive and sustainable.

Responsible	Inclusive	Sustainable
New tech must earn trust and transform life for the better	The future of technology must be inclusive and diverse for everyone to benefit	Tech must accelerate our journey to net zero emissions and a circular economy
Invest in new growth tech that will help us live and work better	Build a diverse workforce through our inclusion, equity and diversity targets	Be a net zero carbon emissions business by the end of FY31and net zero on all Scope 3 emissions by FY41
Apply our responsible tech principles across the full value chain	Pass 6.2m rural premises with full fibre by the end of 2026 (as part of our 25m build target) Expand our 4G/5G mobile networks across the UK, including rural locations	Help customers avoid 60m tonnes of CO ₂ e (cumulatively) by FY30
Partner to build a responsible tech ecosystem that builds trust and drives growth	Help 25m people with digital skills by FY26, including building a digital talent pipeline	Build towards a circular BT Group by 2030 and circular tech and telco ecosystem by 2040, while protecting nature and biodiversity

Contributing to the United Nations Sustainable Development Goals



Responsible

We believe...

New tech must earn people's trust and transform lives for the better. Our responsible tech principles are...



For good We design and deliver tech to empower people and improve their lives.



Accountable

We are accountable for our actions and take care to avoid, and protect against, tech misuse.



Fair We work hard to ensure everyone is treated fairly and with respect.



Open We listen, collaborate, and are transparent about our actions.

Applying responsible tech principles across our value chain

Putting our principles into practice when we...

Developing tech

We apply the principles right from the start when we develop and design new tech.

Buying tech

Our procurement company, BT Sourced, has responsibility and sustainability criteria set into its processes. This gives our buyers clarity on supplier risks and opportunities.

Using tech

We want to make sure our products and services are used for good. So we focus on protecting privacy and free expression and preventing online harms.

Selling tech

We sell to customers around the world. Through our sales due diligence process, we work to make sure that our customers use our products and services in a way that benefits people and minimises harms.

Our Responsible Tech Steering Group oversees how we implement the principles. This year it continued looking at emerging risks and strategic growth areas. We used external experts to help define our approach on topics like high-risk markets, AI and new products and innovation.





AI



New products & innovation

Harnessing the power of tech to connect for good

Responsible in action – FY24 highlights

Developing tech

We completed a **human rights impact assessment** of **wi-fi controls** to help us identify, understand and assess the risks of the product.

Buying tech

We reviewed **human rights risks** in our **supply chain**, to better understand these risks and identify any gaps in our policies and processes.

Using tech

We published an **AI standard** for colleagues, to ensure our use, development, purchase and sale of AI is consistent with the responsible tech principles, helping to reduce risk at every stage of the **AI life cycle**.

Selling tech

We **enhanced sales due diligence** in our Business unit by adding checks for negative media coverage. This helps us assess any potential human rights risks through the life of a customer's contract.

Responsible tech and human rights governance

- S BT Group Human Rights policy
- Being trusted: our code
- (9) <u>BT Group Modern Slavery Statement</u>

Inclusive

We believe...

The future of tech must be inclusive and diverse for everyone to benefit. An inclusive digital world



23m

people reached with help to improve digital skills since FY15.

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200k

the number of small business owners and their employees reached through our digital skills programmes during FY24.



13.8m homes and b

homes and businesses reached with full fibre, including 3.9m in rural areas.



We've set bold ambitions to build a diverse and inclusive BT Group.

Building a diverse workforce

Our work for an inclusive digital society must start at home, so we're holding a mirror up to ourselves to improve inclusion and diversity across our workforce.

Build a diverse wor	kforce through our diversity and inclusion targets:	FY23	FY24	2025 Targets
	Women ¹ :	35%	35%	46%
BT Group (excluding Openreach)	Ethnic minority colleagues ² :	13%	16%	16%
	Disabled colleagues ² :	8%	9%	14%
	Women ¹ :	10%	10%	12%
Openreach	Ethnic minority colleagues ² :	9%	9%	10%
	Disabled colleagues ² :	6%	6%	6%
	Women ¹ :	26%	26%	32%
BT Group	Ethnic minority colleagues ² :	12%	13%	13%
	Disabled colleagues ² :	7%	8%	10%

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The future of tech must be inclusive and diverse for everyone to benefit

We want to support families worst hit by cost of living increases. We're the market leader in social tariffs, currently helping around **one million low-income and vulnerable customers** through affordable fibre broadband and calls.

Working with charity partner **Home-Start UK**, we support the most socially excluded households through gift-in-kind contributions, fundraising and donations, which totalled more than **£134k** this year.

Our **digital skills help** is giving more people the benefits of being online – particularly **vulnerable groups** in society, like children and the **over 65s**. We've partnered with UK charity **AbilityNet** to deliver nationwide training to improve the digital skills of over **3,000 people** aged 65+ so far.

Support available:

Our <u>Here for You</u> website brings together our range of products, services and support for those who need extra help.

Our **Home Essentials** social tariff enables customers on Universal Credit to get discounted broadband.

Our **EE Basics** mirrors the Home Essentials offer for eligible mobile customers.

Openreach's '**Connect the Unconnected**' scheme waives connection fees for vulnerable customers, via their communications provider.

Investing in our networks

Access to strong, secure, ultrafast, full fibre broadband from Openreach is now available to more than **13.8m UK homes and businesses**, and we aim to reach **25m premises by 2026.**

Our target includes reaching **6.2m** homes and businesses in **hard-to-reach rural communities** and recently we reached over **3.9m in rural areas.**

90%

We've committed to reach 90% of the country with 5G by 2028

Championing digital inclusion

Help with digital skills

We've reached **23m people** since FY15 with help to improve their digital skills – from small businesses and jobseekers to kids getting their first mobile device.

Senior skills

In today's digital age, many essential tasks require internet access, yet **22% of seniors still do not use the internet**. To bridge this gap, BT Group partnered with **AbilityNet** to offer tailored digital training for those aged 65 and above, boosting their skills and confidence online while promoting safety awareness. Read more at <u>bt.com/seniorskills</u>

3,000

We've helped 3,000 digitally excluded over-65s build their confidence and develop digital skills.

Leaving no business behind

Our **free digital skills programme** helps businesses unlock their potential. This year, we've reached **200,000** more business owners and employees. We gave them:

- help on everything from digital marketing and social media to GenAI via our LinkedIn Live webinar series with partner Upskill
- practical tips and advice from successful entrepreneurs through our 'Let's Talk About' video series
- access to live webinars, recordings and in-person mentoring through our partnership with the National Startup and Great British Entrepreneur Awards
- a UK-wide tour, webinars and mentoring sessions (working with Small Business Britain).

Employability and digital skills for young people

We're bridging the gap between education and employment by ensuring children and young people are included in the **UK's digital skills agenda**.

Over 1,000 secondary school children from disadvantaged backgrounds came to our '**Get Work Ready**' days at our UK workplaces.

We funded two cohorts of the **FastFutures Data Analyst Boot Camp**, reaching **500 18-24 year olds** from diverse backgrounds looking to kick start their careers in digital. They were supported by **87 of our colleagues** who volunteered almost **500 hours** of their time to support participants.

Skilling the nation and beyond

Child online safety

We're helping to protect children online through a number of initiatives. This year we:

- relaunched **PhoneSmart** with better new functionality to help minimise online harm risks, as more and more youngsters own mobile phones
- launched GameSmart featuring online safety information for parents on their child's use of games and gaming devices – ran a campaign with Internet Matters for parents of under-fives on healthy technology use
- launched **an online safety hub** on the Internet Matters website.

Uniting against online hate

Hope United is part of EE's ongoing commitment to deliver positive societal change. It features a team of elite professional football players – representing all four home nations – coming together to tackle online hate.

So far, it's helped educate **10.9m people** on being good digital citizens.



India skills partnership

Since 2019, BT India, with partner the British Asian Trust, has helped around **1.1m young people** with digital skills, STEM career guidance and job opportunities. This year they launched an **Outdoor School for Girls**, which will provide digital, life, sustainability and entrepreneurial skills to **180,000 girls** over the next three years.

With our support, education company Katha is working with the Municipal Corporation of Delhi to teach more than **4,000 girls**, through setting up robotics labs, refurbishing IT labs and training teachers.



We believe...

Technology must accelerate our journey to net zero emissions and a circular world.

On our way to net zero by 2031¹



61%

cut in carbon emissions intensity since FY17 (towards our 87% target by the end of March 2031)².





cut in supply chain³ emissions since FY17 (towards our 42% target by the end of March 2031).



+4,100

electric vehicles we have in our fleet in total.



3.8m tCO_2e we've helped customers save since 2021.

 1 By 31 March 2031, to be a net zero carbon emissions business (GHG emissions Scopes 1 and 2). 2 Scope 1 and 2 worldwide emissions tonnes CO₂e per £m value added. 3 Scope 3 – categories 1-8 (inclusive)

Technology must accelerate our journey to net zero emissions and a circular world

Our climate strategy

We're committed to net zero for our business by FY31 – and for our supply chain and customer emissions by FY41.

We'll get there by:

- Progressing towards our 1.5°C science-based target¹
- Decarbonising our networks, buildings and fleet
- Cutting carbon emissions across **our value chain**
- Helping suppliers and customers cut carbon emissions
- Becoming a circular business
- Advocating for and inspiring others to take climate action

We're accelerating towards our targets

Sustainable: Our targets and progress

Ambition/target	FY23	FY24
By 31 March 2031, to cut our carbon emissions intensity by 87%, compared to 2016/17 levels ¹	55% reduction	61% reduction
By 31 March 2031, to reduce our supply chain carbon emissions by 42%, compared to 2016/17 levels	22% reduction ²	25% reduction
By 31 March 2031, to be a net zero carbon emission business (GHG emissions scope 1 and 2)	183,047 tonnes of CO_2e^3	164,743 tonnes of CO ₂ e
By 31 March 2041, to be a net zero for our supply chain and customer carbon emissions (GHG emissions scope 3)	3,133,579 tonnes of CO_2e^2	3,000,873 tonnes of CO ₂ e
By 31 March 2030, we aim to help customers avoid 60m tonnes of CO_2 e	935,462 tonnes of CO_2e	1,517,2997 tonnes of CO_2e (3,777,844 tonnes since 2021)
Build towards a circular BT Group by 31 March 2030 and circular tech and telco ecosystem by 31 March 2040	In progress, refer to p38 of <u>BT Gr</u>	roup Annual Report

¹ Scope 1 and 2 worldwide emissions tonnes CO_2e per £m value added.

² Annual historic changes to Scope 3 supply chain emission calculations are a consequence mainly of a switch from a CPI-modelled approach to an 'actual' data approach.

³ Historic years' numbers may be restated where more up-to-date information has become available e.g. replacing estimates with actual values.

Becoming net zero in our operations

Transition to electric vehicles

We're aiming to convert the majority of our commercial fleet to electric or zero emission vehicles by 2030.

To achieve this we've:

- added >1,700 electric vehicles (EVs) to our commercial fleet this year. We now have >4,100 of them.
- developed an EV charging unit built from a street cabinet. Etc., our startup and digital incubation unit, is exploring how to turn up to 60k cabinets into EV charging points, to improve the UK's charging infrastructure.
- continued to advocate for policy measures to support a wider UK EV transition as a founding member of the UK Electric Fleets Coalition.

Decarbonising our buildings

We cut our global energy consumption by around **140GWh this year** – a **4% drop on FY23**. This was mainly achieved through rationalising and upgrading our buildings and networks, and reducing our fuel consumption as we continue to migrate our fleet to EVs.

Our **Better Workplace Programme** is consolidating hundreds of BT Group buildings to around 30.

The new or refurbished buildings have environmental impact firmly in mind. New builds meet the **BREEAM**¹**Excellent standard**.

Building energy efficient networks

We're building **more energy-efficient fixed** and 4G/5G networks, while switching off our old legacy ones.

As well as saving energy, full fibre networks are better at handling the effects of physical risks like flooding and higher temperatures. That means fewer faults or engineering visits.



¹Building Research Establishment's Environmental Assessment Method, the world's leading sustainability assessment for infrastructure.

Building towards a circular BT Group

We want to become a circular business by FY30 and build towards a circular tech ecosystem by FY40, while protecting nature and biodiversity

Products & services

- we collected nearly 2.6m devices from consumers and businesses through our returns and take back process.
- through our EE Trade-In service we collected 166,000 mobile devices, pushing past the milestone of 1m devices traded in since its launch.
- our EE repair service (approved by Apple, Samsung and Google) fixed 58,000 devices this year (up 94% on FY23).
- we've piloted the Circular Transition Indicator Tool on some of our own brand consumer devices; with the aim to expand to other business areas to implement a common measurement approach.

Operational waste – our networks and estate

We want to put **zero waste** into landfill by 2030. That means increasing the number of things we reuse and recycle.

- our UK recycling, reuse and recovery rate was 92.1% (90.4% globally).
- through our Exchange Clearance Operations programme, we recovered 3,300 tonnes of old or end-of-life network equipment to reuse and recycle.
- we agreed a deal with a leading bank and global recycler EMR to support the extraction and recycling of copper cable from our network until 2028.

Biodiversity

- we continued working to understand our impacts on nature and biodiversity, in line with the Taskforce on Nature-related Financial Disclosures framework. This year, we ran an impact assessment of our operations and procurement.
- we partnered with The Royal Society of Wildlife Trusts. We provide financial contributions to the charity and volunteering opportunities for colleagues.
- Openreach created a Business Conservation Partnership with the RSPB, to implement naturepositive actions as part of the overall fibre build programme.

Becoming net zero in our value chain

BT Group emissions

Supplier and customer emissions make up 95% of our total emissions



Working with suppliers

We continue to work with suppliers to cut carbon.

We've:

- required suppliers to conduct climate risk assessments, set 1.5°C aligned sciencebased targets and to report on progress annually.
- continued to encourage suppliers to report to CDP², today over 300 are doing that.
- continued our collaboration with the 1.5°C Supply Chain Leaders initiative, and support small- and medium-sized enterprises through the SME Climate Hub and the UK Business Climate Hub.
- joined the JAC (Joint Alliance for CSR) Board of Directors, an association of 27 communications providers working together to sustainably transform supply chains across the ICT sector.

Working with customers

There's huge potential to use our networks, products and services to help customers cut their emissions.

This year we've:

- helped customers avoid over 1.5m tonnes of carbon, mainly through full fibre broadband reducing personal or work-related travel.
- published a new <u>carbon abatement</u> <u>methodology</u>, to be transparent on how we calculate savings
- expanded our Digital Carbon Calculator to include compute and end point devices. Today, it shows customers are cutting their CO₂e by 15% on average when transforming their networks with us.
- enhanced our Carbon Network Dashboard to include an energy optimisation recommendation feature, helping our larger customers use their networks more efficiently.

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BT Group Manifesto progress FY24

BT Group Manifesto Targets and progress FY24

Theme	Ambition/target	FY23	FY24	Status
Environmental	By 31 March 2031, to cut our carbon emissions intensity by 87%, compared to 2016/17 levels 1	55% reduction	61% reduction	Ongoing
	By 31 March 2031, to reduce our supply chain carbon emissions by 42%, compared to 2016/17 levels	22% reduction ²	25% reduction	Ongoing
	By 31 March 2031, to be a net zero carbon emissions business (GHG emissions scopes 1 and 2)	183,047 tonnes of CO_2e^3	164,743 tonnes of CO_2e	Ongoing
	By 31 March 2041, to be net zero for our supply chain and customer carbon emissions (GHG emissions scope 3)	3,133,579 tonnes of CO_2e^2	3, 000,873 tonnes of CO ₂ e	Ongoing
	By 31 March 2040, we aim to help customers avoid 60m tonnes of $\rm CO_2e$	935,462 tonnes of CO_2e	1,517,299 tonnes of CO ₂ e (3,777,844 tonnes since 2021)	Ongoing
	Build towards a circular BT by 31 March 2030 and circular tech and telco ecosystem by 31 March 2040	In progress, refer to p.38 of <u>BT Group Annual Report</u>		Ongoing
Network	By 2026, 25 million homes and businesses will have access to strong, secure, ultrafast full fibre broadband	10.3m premises passed	13.8m premisses passed	Ongoing
	By 2026, build full fibre to 6.2m homes and businesses in rural communities (part of the above target)	3.1m premises passed	3.9 premises passed	Ongoing
	By 2028, our EE 5G mobile network will reach 90% of the UK's geography	68%	75%	Ongoing
Governance – Ethical business	We'll have no significant ⁴ fines or non-monetary sanctions, for non-compliance with laws and regulations concerning:	No significant fines or sanctions		Achieved
	a) the environment			
	b) the provision and use of products and services			
	c) the social and economic area			
	We'll have no successful health and safety prosecutions or prohibition notices served against the company worldwide	No such prosecutions or prohibition notices		Achieved

¹ Scope 1 and 2 greenhouse gases per unit of gross value added. ² Annual historic changes to Scope 3 supply chain emission calculations are a consequence mainly of a switch from a CPI-modelled approach to an 'actual' data approach. ³ Historic years' numbers may be restated where more up-to-date information has become available e.g. replacing estimates with actual values. ⁴ We report fines as significant if in excess of £50m.

BT Group Manifesto Targets and progress FY24 (continued)

Theme	Ambition/target	FY23	FY24	Status
Social - Community	Digital skills: By 31 March 2026, to reach 25m people in the UK with help to improve their digital skills, since 2014/15	19.3m people reached since FY15	23m people reached since FY15	Ongoing
Social – Colleague (diversity)	By 2025, BT Group (excluding Openreach) will have a workforce made up of:			
	■ Women ¹ : 46%	34.8%	34.9%	Ongoing
	Ethnic minority colleagues ² : 16%	13.4%	16%	Ongoing
	Disabled colleagues ² : 14%	8.2%	9.4%	Ongoing
	By 2025, Openreach will have a workforce made up of:	10.3%	40.00/	
	• Women ¹ :12%		10.3%	Ongoing
	Ethnic minority colleagues ² : 10%	9.1%	9.1%	Ongoing
	Disabled colleagues ² : 6%	6%	6.2%	Ongoing
	By 2025, BT Group (total) will have a workforce made up of:	25 70/	26.3%	
	Women ¹ : 32%	25.7%		Ongoing
	Ethnic minority colleagues ² : 13%	11.5%	12.9%	Ongoing
	Disabled colleagues ² : 10%	73%	75%	Ongoing

¹ Global workforce.

² UK workforce only, due to data limitations, and based on declared data only.