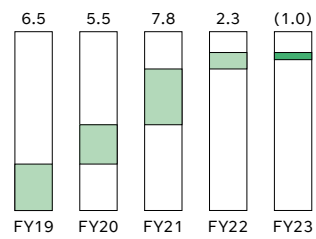


Our key performance indicators (KPIs)

Operational At 31 March

BT Group Net Promoter Score (NPS) point increase (decrease) R



Definition
This tracks changes in our customers’ perceptions of BT Group since we launched the measure in April 2016. It’s a combined measure of ‘promoters’ minus ‘detractors’ across our business units. BT Group NPS measures the net promoter score in our retail business^a and net satisfaction in our wholesale business.

Link to strategy **2**

Performance
BT Group NPS decreased by 1.0 point, (FY22: up 2.3 points) due to cost of living challenges and industrial action affecting our consumer brands and the wider telecoms market, although this was offset partially by positive perceptions from corporate customers. You can read more about these and our approach to customer experience on [pages 24 to 25](#).

Link to strategy
Each KPI measures how we’re doing against at least one of our strategic pillars. You can read more about these, and our progress against them, from [page 17](#).

- 1

Build the strongest foundations
- 2

Create standout customer experiences
- 3

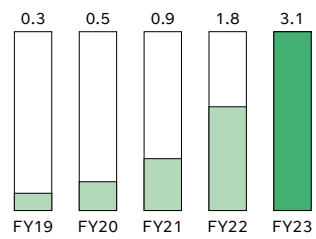
Lead the way to a bright, sustainable future

R **Link to directors’ remuneration**
The annual bonus and long-term incentive plans that comprise our directors’ remuneration are each linked to certain KPIs. See the **Report on directors’ remuneration** on [pages 112 to 113](#).

We use eleven KPIs – five operational and six financial.

We reconcile the financial measures to the closest IFRS measure on [pages 233 to 235](#).

Total Openreach FTTP connections m R

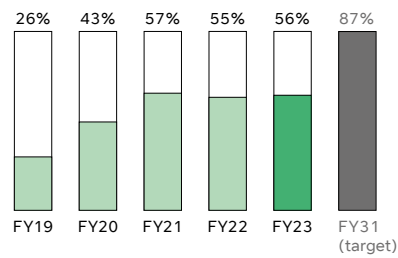


Definition
This tracks how many premises are connected to Openreach’s full fibre (FTTP) network.

Link to strategy **1**

Performance
3.1m customers were connected to Openreach’s FTTP network at 31 March 2023 (FY22: 1.8m). Openreach’s full fibre footprint reaches more than 10.3m homes and businesses including 3.1m rural premises, and we’re on track to get to 25m premises by the end of 2026. You can read more about the full fibre rollout on [page 18](#).

Percentage reduction in carbon emissions intensity % reduction R

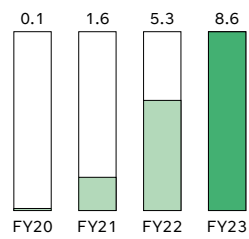


Definition
This measures performance against our target to cut carbon emissions intensity by 87% by the end of March 2031 compared to FY17 levels. It’s measured by reference to tonnes of CO₂e (carbon dioxide equivalent) per £m value added (adjusted^b EBITDA plus employee costs).

Link to strategy **3**

Performance
Against our carbon emission intensity reduction target this year we achieved a 56% reduction from our baseline year (FY17) (FY22: 55%). You can find more information on what we’re doing to tackle environmental challenges and our journey to net zero emissions on [pages 38 to 39](#).

Total 5G connections m R

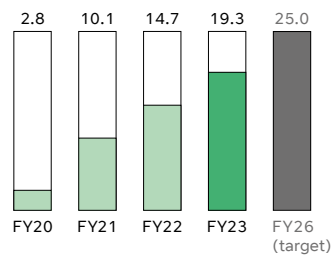


Definition
This measures the number of BT retail connections to the 5G network.

Link to strategy **1**

Performance
8.6m BT retail customers are able to connect to our 5G network at 31 March 2023 (FY22: 5.3m). We continue to expand our 5G network which now covers 68% of the UK population. You can read more on our 5G coverage and rollout on [page 19](#).

Cumulative number of people reached to help improve their digital skills m R



Definition
This measures the number of people we’ve reached with help to improve their digital skills.

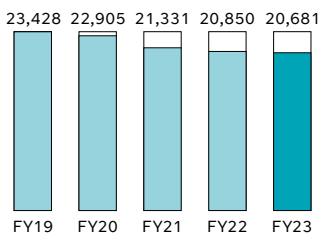
Link to strategy **3**

Performance
At 31 March 2023 we had helped 19.3m people improve their digital skills (FY22: 14.7m) and we remain on track to reach our target of 25m by the end of March 2026. You can read more about what we’re doing to achieve this on [pages 37 to 38](#).

- a Includes our Consumer brands as well as Enterprise and Global segments, excluding Wholesale.
- b Adjusted EBITDA is defined as the group profit or loss before specific items, net finance expense, taxation, depreciation and amortisation and share of post tax profits or losses of associates and joint ventures, as explained on [page 234](#).
- c Normalised free cash flow as defined on [page 234](#).

Financial Year ended 31 March

Reported revenue £m



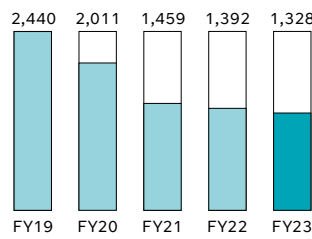
Definition
This is our revenue as reported in our income statement.

Link to strategy **1, 2, 3**

Performance
Reported revenue was £20,681m (FY22: £20,850m). The decrease was driven by the removal of BT Sport revenue, legacy product declines, lower equipment sales in Global and the loss of an MVNO customer, partially offset by indexation and improvement in product mix.

You can read details more about CFU performance on [pages 56 to 57](#).

Normalised free cash flow^c £m R

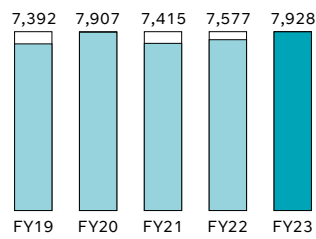


Definition
This measures free cash flow (net cash inflow from operating activities after capital expenditure) after net interest paid and payment of lease liabilities, before pension deficit payments (including the cash tax benefit), payments relating to spectrum, and specific items. It excludes certain cash flows determined at a corporate level, see [page 234](#).

Link to strategy **1, 2, 3**

Performance
We generated £1,328m of normalised free cash flow^c. This was down 5% from last year and mainly reflects higher cash capital expenditure and adverse working capital movements, partially offset by higher adjusted^c EBITDA and a tax refund.

Adjusted^b EBITDA £m R

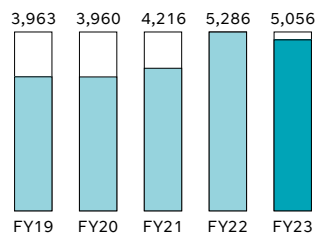


Definition
This measures our earnings before specific items, net finance expense, taxation, depreciation and amortisation and share of post tax profits or losses of associates and joint ventures.

Link to strategy **1, 2, 3**

Performance
Adjusted^b EBITDA was £7,928m (FY22: £7,577m). The increase was primarily due to our cost transformation programme and the removal of BT Sport costs, partially offset by cost inflation and reported revenue decline. You can read more on [page 52](#). Lease payments are not included in adjusted^b EBITDA following adoption of IFRS 16 Leases in FY20.

Reported capital expenditure £m

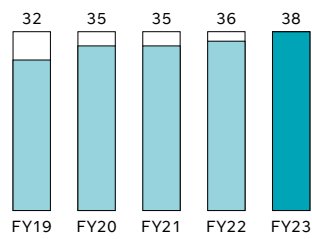


Definition
This measures additions to property, plant and equipment and intangible assets during the year.

Link to strategy **1, 2, 3**

Performance
Reported capital expenditure was £5,056m (FY22: £5,286m). The decrease was driven by the impact of the investment in spectrum in FY22, offsetting increased fixed network investment primarily in Openreach for building, and connecting more customers to, FTTP.

Adjusted^b EBITDA margin %

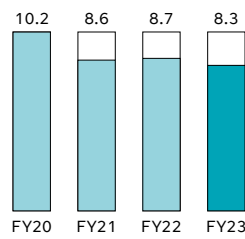


Definition
This measures our margin, calculated using our adjusted^b EBITDA as a percentage of adjusted revenue.

Link to strategy **1, 2, 3**

Performance
Adjusted^b EBITDA margin improved 2pp to 38% (FY22: 36%). The increase is mainly driven by our cost transformation programme and margin improvements following the removal of BT Sport, offset by cost inflation. You can read more on [page 52](#). Adjusted^b EBITDA margin from FY20 is benefited by the adoption of IFRS 16.

Return On Capital Employed (ROCE) % R



Definition
ROCE is adjusted earnings before interest and tax as a percentage of equity, debt and debt-like liabilities excluding balances associated with tax and management of financial risk. For a full definition and a reconciliation to the nearest IFRS measure see [page 233](#).

Link to strategy **1, 2, 3**

Performance
ROCE for the year was 8.3% (FY22: 8.7%). This is primarily attributable to increased capital employed to fund our fibre build programme; with adjusted earnings for the period being broadly in line with the prior year.