



BT Group plc

Board Diversity and Inclusion Policy

Approved by the BT Group plc Board in January 2025

Purpose

The Board Diversity and Inclusion Policy (the “**Policy**”) sets out the approach to diversity, inclusion and equal opportunity which applies to the BT Group plc Board.

Policy Statement

Diversity and inclusion are mission critical for us at BT Group. Inclusion isn’t just the right thing to do, it’s the only thing to do if we’re to achieve our aspiration of connecting people for good. To reach our ambition, we need a workforce that reflects the communities we serve. That’s why we need diversity in all its forms in our product design, delivery and customer engagement teams. Equally, we know that the presence of diverse voices in the leadership teams and where decisions are made can reduce the risks associated with homogeneity, foster creativity and ensure more holistic decisions are made that resonate with a broader range of stakeholders and customers. We believe that diversity and inclusion is everyone’s responsibility. This Policy supports BT Group’s aim to build the strongest foundations. It’s about making sure that we:

- apply an inclusion lens to all our decision making and monitor the impact of our decisions on diverse populations,
- value and communicate the benefits that difference brings and be unapologetic in our pursuit of a diverse workforce at all levels, and
- actively seek out opportunities across the business to enhance and strengthen our approach to inclusion.

We believe a key driver in delivering our organisational diversity commitments is through a Board which has a balance of skills, personal and cognitive strengths, experience, diversity (including of gender, and of social and ethnic background), independence and knowledge.

The Policy applies to the BT Group plc Board.

Role of the Chairman and Board

The Chairman will lead the Board’s diversity agenda and set measurable objectives with the aim of continuously improving diversity and inclusion generally, ultimately leading to better debate and decision-making.

The Board will be expected to role model inclusive language, behaviours and practice in all undertakings for and on behalf of BT Group, setting a clear “tone from the top”.

The Board will ensure that appointments and succession plans are based on merit and objective criteria, in the context of the skills, experience, independence and knowledge which the Board, as a whole, requires to be effective.

The Board will consider candidates for appointment as Non-Executive Directors from a wider pool including those with little or no previous FTSE board experience.

The Board and/or the Nominations Committee oversees management's actions to increase the proportion of senior leadership roles held by women, people from minority ethnic backgrounds, disabled colleagues and other under-represented groups across BT Group in support of best practice recommendations.

Role of the Nominations Committee

In line with its Terms of Reference, on behalf of the Board, the Nominations Committee regularly reviews the structure, size and composition of the Board and its committees in order to ensure an appropriate balance of skills, personal and cognitive attributes, experience, diversity, independence and knowledge, recommending any proposed changes to the Board. As part of this, and in formulating succession plans, the Nominations Committee shall consider this Policy and any measurable objectives therein.

In identifying suitable candidates for appointment to the Board, the Nominations Committee will consider candidates on merit against objective criteria and will aim to promote diversity, inclusion and equal opportunity on the Board.

The Nominations Committee will only engage executive search firms who have signed up to the Voluntary Code of Conduct for Executive Search Firms. Executive search firms will be asked to ensure that potential candidate 'long lists' reflect the Board's diversity commitments as set out in this Policy.

Objectives

The Board and Nominations Committee supports the targets set by the FCA in the UK Listing Rules, Disclosure Guidance and Transparency rules, FTSE Women Leaders Review, and Parker Review.

Our current targets are for the Board to comprise of:

- at least 40% women on the Board;
- at least one of the senior Board positions (Chair, Chief Executive, Chief Financial Officer or Senior Independent Director) is a woman; and
- at least one director from a minority ethnic background.

It is acknowledged that there may be times, during periods of Board change, that this is not possible.

Reporting

The Nominations Committee will report annually, in BT Group's annual report, on the process in relation to Board appointments and on the Company's policy and any initiatives on diversity and inclusion, their objectives and link to company strategy, how they have been implemented and progress on achieving those objectives, including those objectives set out in this Policy.

Review of the Policy

The Nominations Committee will review the Policy and its effectiveness annually and recommend any changes for Board approval.

If necessary, this Policy will be reviewed on an ad hoc basis in consideration of any regulatory or governance developments in relation to Board diversity.