



BT GROUP PLC – NATIONAL SECURITY AND INVESTIGATORY POWERS COMMITTEE

TERMS OF REFERENCE

Approved by the BT Group plc Board and effective as at 13 May 2022

1. The National Security and Investigatory Powers Committee is a committee of the Board of Directors of BT Group plc (the Board), from which it derives its authority. Its remit includes the oversight of all matters within BT which require a 'Top Secret' UK government security clearance.

2. Membership

- 2.1. **The committee shall be made up of at least six members**, who shall include (subject to their holding appropriate security clearances) the Chair of BT Group; the Chief Executive of BT Group; the Managing Director of BT Security; Directors from relevant Customer Facing Units including the Director of Global Secure Solutions; a BT in-house lawyer with specialist knowledge of investigatory powers and human rights; the Group Corporate Affairs Director and at least one independent non-executive director. In the event that an individual in one of the specified roles is unable to obtain the appropriate level of security clearance, the Board shall appoint an alternative senior BT manager to the committee who has the appropriate level of security clearance.
- 2.2. **Only members of the committee have the right to attend committee meetings.** However, other individuals such as the Chief Executive Officers of BT Customer Facing Units, the Group HR Director, and external advisers may be invited to attend for all or part of any meeting as and when appropriate, subject to their holding the necessary security clearances.
- 2.3. **Members of the committee shall be appointed by the Board**, on the recommendation of the Nominations Committee and in consultation with the Chair of the Remuneration Committee.
- 2.4. **The Board shall appoint the committee Chair** who shall normally be the Chair of the Board. In the absence of the committee chair and/or an appointed deputy, the remaining members present shall elect one of themselves to chair the meeting.
- 2.5. Members must hold appropriate security clearances. Other invitees must hold a level of security clearance appropriate to the matters that are discussed in the committee meeting, or part, that they attend. The committee secretary is responsible for ensuring that no attendee is present for discussion of any matters for which they do not hold the appropriate level of security clearance.

3. Secretary

- 3.1. The committee shall appoint a secretary.

4. Quorum

- 4.1. The quorum necessary for the transaction of business shall be three, and shall include (as a minimum) the committee Chair or vice Chair, the Managing Director of BT Security and the Director of Global Secure Solutions.
- 4.2. If a decision is required urgently, an emergency meeting may be convened. In such cases, the quorum for the transaction of business shall be as described in paragraph 4.1, save that appropriate delegates may attend for the committee Chair or vice Chair, and for the Managing Director of BT Security.
- 4.3. The committee shall adopt rules/ a policy for the transaction of business in cases where a decision is required immediately.

5. Frequency of meetings

- 5.1 The committee shall meet at least four times a year, and otherwise as required.

6. Notice of meetings

- 6.1 Meetings of the committee shall be called by the secretary of the committee, at the request of the committee chairman or any of its members.
- 6.2 Unless otherwise agreed, notice of each meeting confirming the venue, time and date shall be forwarded to each member of the committee and any other person required to attend before the date of the meeting. The agenda of items to be discussed and supporting papers shall be made available to committee members and to other attendees as appropriate, according to the appropriate security restrictions for distribution of documents.

7. Minutes of meetings

- 7.1 The secretary shall minute the proceedings and resolutions of all committee meetings, including the names of those present and in attendance.
- 7.2 The secretary shall keep an audit record of key decisions reached at any emergency meeting.

8. Duties

- 8.1. The committee is accountable for:
 - (a) responses to all requests for assistance in relation to Investigatory Powers¹ made to BT plc and its subsidiaries ("BT"), by or on behalf of public authorities in the United Kingdom and overseas;
 - (b) all operational activities undertaken by BT in relation to Investigatory Powers; and
 - (c) any other matter arising on requests from, or provision of assistance to, public authorities for purposes relating to, but not limited to, national security, law enforcement or critical national infrastructure or community safety which is subject to a UK security clearance
 - (d) any additional matter which the Chair or Group CEO deems to be relevant business for this Committee which is not covered by (a) to (c) above
 - (e) strategic policy for any matter in (a) to (d) above

¹ Investigatory Powers means those capabilities and obligations described in the Intelligence Services Act 1994, the Regulation of Investigatory Powers Act 2000, the Investigatory Powers Act 2016, any subordinate legislation, codes of practice, and any related or successor legislation, together with any similar capabilities and obligations described in the legislation of other countries.

- 8.2. In order to help discharge its duties the committee may :
- (a) adopt policies and/or guidelines addressing those matters that should be taken into account in determining BT's response to any issue in 8.1 (a) to (c);
 - (b) adopt policies and/ or guidelines addressing the circumstances in which a matter should be referred to the committee for decision;
 - (c) subject to paragraph 8.3, delegate responsibility as it sees fit for dealing any matter, in accordance with relevant policies and/ or guidelines issued.
- 8.3 The Committee cannot delegate responsibility for deciding to make formal representations to a regulatory authority or government, or to commence legal proceedings.

9. Reporting responsibilities

- 9.1 The committee Chair shall report to the Board on its proceedings annually, to the extent that it is legally permitted to do so on all matters within its duties and responsibilities.
- 9.2 The committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 9.3 The Committee shall produce a report on its activities to the extent that it is legally permitted to do so to be included in BT's Annual Report

10. Other matters

The committee shall:

- 10.1. have access to sufficient resources in order to carry out its duties, including access to the company secretariat for assistance as required;
- 10.2. be provided with appropriate and timely training, including an induction programme for new members and on an ongoing basis for all members;
- 10.3. give due consideration to relevant laws and regulations, the provisions of the Code and the requirements of the Listing Rules, Prospectus Rules and Disclosure and Transparency Rules, Human Rights principles and any other applicable rules, as appropriate; and
- 10.4. arrange for periodic reviews of its own performance and terms of reference, and recommend any changes it considers necessary to the Board for approval.

11. Authority

The Committee is authorised by the Board:

- 11.1 through the Company Secretary to seek information it requires from any employee of the BT Group in order to perform its duties; and
- 11.2 in consultation with the Legal Adviser and the Company Secretary, where necessary to fulfil its duties, to obtain any outside legal or other professional advice.