

# Stakeholder dialogue

BT Social and  
Environmental report



# Stakeholder dialogue

We have important relationships with a range of stakeholders. While no formal process has been used to identify stakeholders, over time it has become clear that six groups are particularly crucial to the success of our business:

- Customers
- Employees
- Suppliers
- Shareholders
- Partners
- Community.

Our Statement of Business Practice, The Way We Work, sets out the aspirations and commitments which apply in our relationship with each stakeholder group.

The more positive and mutually beneficial these relationships are, the more successful our business will be.

Here we discuss:

- The various ways we engage with the different stakeholder groups
- Our Leadership Panel
- Stakeholder influence
- Online debates

You can also provide feedback on our social and environmental performance by e-mailing us at [yourviews@bt.com](mailto:yourviews@bt.com).

## Stakeholder engagement

We engage with our stakeholders in different ways. Here are some examples.

### Customers

- Consumer Liaison Panels
- Surveys of customers on quality of service and future expectations
- Telecommunications Advisory Committees.

### Employees

- Our annual employee survey
- Relationships with trade unions
- European Consultative Works Council.

### Suppliers

- Our annual supplier satisfaction survey
- Ethical trading forums with key suppliers and industry colleagues.

### Shareholders

The Investors section of our report was developed following close consultation with analysts specifically interested in the social and environmental performance of companies.

BT always values feedback from shareholders and aims to inform investors of the issues we face. More details can be found in Services for Shareholders.

### Partners

A description of our relationship with joint ventures and wholly owned subsidiaries on social and environmental issues is given in the Statement of Business Practice section of our report.

### Community

Recent surveys of our stakeholders tell us that education should be a top priority for our social investment. This section describes how we manage and distribute this investment.

## Leadership Panel

The Leadership Panel is an external advisory group of experts renowned for excelling in their field. The panel has six members:

- Jonathon Porritt, Chair of the Panel and Director of Forum for the Future, a UK sustainable development think-tank
- Mark Goyder, Director, Centre for Tomorrow's Company, a UK think-tank
- Rob Lake, Head of SRI Engagement and Corporate Governance, Henderson Global Investors
- Elizabeth Laville, Director of Utopies, a Paris-based sustainability consultancy
- Yve Newbold, independent advisor
- Jorgen Randers, Professor, the Norwegian School of Management, Oslo.

The purpose of the panel is to encourage innovation and leadership on sustainable development and corporate social responsibility in BT. It meets four times a year and provides independent guidance and expert advice.

Its responsibility covers key areas of CSR strategy and performance, including policy, performance measures, targets, future objectives, governance, stakeholder relationships and external communications.

The panel provides an annual independent comment for inclusion in our report.

## Stakeholder influence

It is important to be clear about what BT is trying to achieve with each stakeholder group and to deepen our understanding of what they expect from us.

This is why our Statement of Business Practice sets out the specific aspirations and commitments that apply in our relations with our customers, employees, shareholders, partners, suppliers and communities.

BT's performance against these specific principles, aspirations and commitments can be found via our site index based on the Statement of Business Practice.

It is difficult to make direct links between a specific consultation exercise and a particular company decision.

But we try to show, in the various sections of our report, how specific stakeholder groups do influence BT's policy, strategy and practice. For example, we show:

- How our Consumer Liaison Panels have helped shape our Next Generation Contact Centre strategy for call centres
- How BT managers work with their teams to analyse the results of the annual employee survey and carry out action plans
- How ethical trading forums set up with our suppliers are leading to an industry-wide approach to promote human rights through the supply chain
- How regular communication with socially responsible investment analysts led to further disclosure about the links between CSR and the BT strategy
- How stakeholder dialogue was used in the selection of non-financial key performance indicators
- How stakeholder dialogue led to us to choose education and better communications as key themes of our social investment programmes.



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## Stakeholders dialogue continued

### Influencing the BT Better World website

Stakeholder consultation has significant bearing on the content of this site.

### Hot Topics

Using selection criteria approved by our Advisory Panel, we analyse various opinion polls, company stakeholder consultations and press coverage to identify issues of concern to BT and society. As a result, 'Good Migrations?', 'Abuse of the Internet' and 'the Digital Divide' were included among our Hot Topics.

Previous Hot Topics selected in this way included Modern Communications and Quality of Life, E-Business and the Environment, and Mobile Phones and Health.

### Indicators

In June 2003, we established a small number of non-finance key performance indicators to provide an overview of BT's social and environmental performance. It followed a consultation exercise involving report users, such as investors, customers and employees, and outside experts, such as the BT Leadership Panel.

In deciding what other indicators to use in the report, we chose to follow the 2002 Global Reporting Initiative (GRI) Guidelines. As a multi-stakeholder initiative, these guidelines provide the most comprehensive and independent insight into the interests and concerns of our stakeholders. We also follow the pilot version of the Global Reporting Initiative Telecommunications Sector Supplement.

### Other content

When defining the content of each section of this site, we consider carefully the results of consultation activities. For example, the Investors section was developed following close consultation with analysts specifically interested in the social and environmental performance of companies. The Customers and Employees sections cover issues that we know to be of concern to these groups, such as services for customers with special needs and our call centre reorganisation programme.

In June 2003, the remit provided to our verifiers was extended to include assurance against the AA1000 Assurance Standard.

The underlying basis of this standard is inclusivity. It requires our report to reflect the concerns of stakeholders, both in its content and in terms of demonstrating BT's response to these concerns.

More details on how we have applied AA1000 Assurance Standard are found in the About the Report section of our website.



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