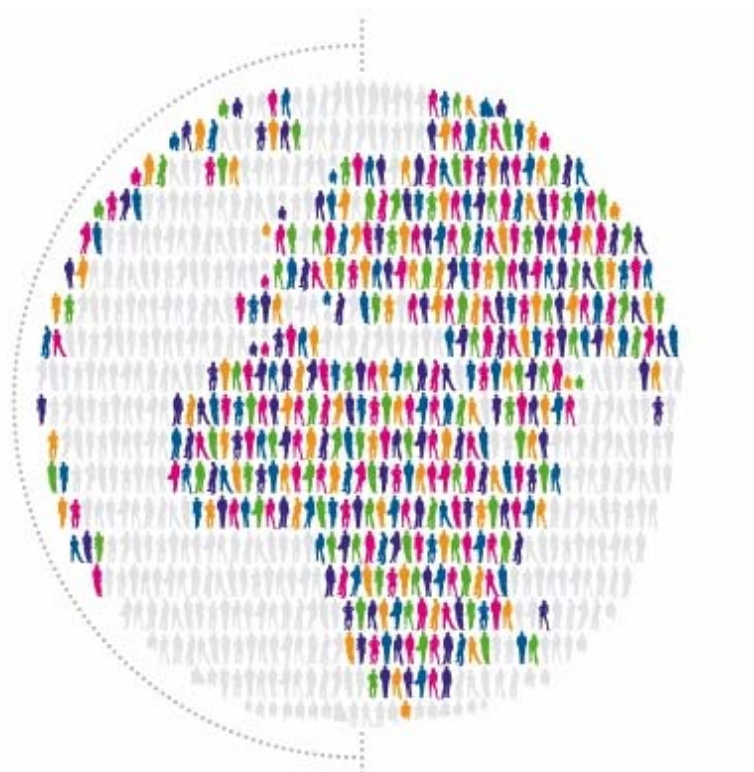


BT's Sustainability Report 2007

Community



let's make a
better
world

Community

BT is committed to make a positive difference in society by conducting our everyday business responsibly and by making specific investments in the communities in which we operate worldwide.

Our community investment (including charity donations, volunteering and in-kind support) is focused on activities that inspire people to make a better world through the power of communication skills and technology. The majority of these activities focus on helping young people and supporting arts and culture.

In the 2007 financial year we invested £21.8 million.

Following an analysis completed in March 2006, BT concluded that there is no current accepted best practice in assessing the effectiveness of community investment.

BT therefore undertook to run a pilot for a new independent audit of its community investment programmes. BT discussed the methodology with peer companies, issued an invitation to tender to four organisations and then invited The Corporate Citizenship Company (TCCC) to undertake the work using a proposed framework for measuring effectiveness.

BT identified fifteen projects to be included in the audit that represented approximately 80% of BT's community investment budget.

An 'evidence pack' was provided to the assessors for each of the projects. TCCC then scored each project against a set of questions looking at four broad areas:

Are we investing in the right projects?

Are we managing those projects effectively?

Are the projects effective?

Are we learning and continuously improving?

There were multiple questions under each of these headings and each project received two scores for each question – one for evidence available and the other for robustness of the evidence. The individual question scores were totalled to give a single average percentage score for each project. The individual project scores were then amalgamated using a weighting system based on the financial input into each project. This resulted in an overall score of **70%**.

Based on the findings and learning from this year, our target for improvement for 2007/8 is **75%**.

Campaigns and partnerships

We use our community investment to help build sustainable, educated and socially inclusive communities.

Our campaigns and partnerships aim to inspire people and communities to make a better world through the power of communication skills and technology. Many of our activities are particularly focused on helping young people.

The Better World Campaign

Good communication skills are essential to help young people make friends, pass exams, get a job and achieve their goals in life. The BT Better World Campaign aims to give every young person a voice.

Developing communication skills

We provide free educational resources for schools including videos, comics, lesson plans, classroom activities and guides to using the latest digital equipment. These are developed with teachers and tested in the classroom. They link to UK curriculum requirements and have been endorsed by Government, teaching authorities and the teachers who use them.

We work with IK Software to provide UK schools, charities and community groups with free, simple to build websites. Pupils and teachers at more than 5000 schools have developed their own websites.

Our Communication Skills Roadshows are free for primary and secondary schools. They use drama and workshops to bring to life the importance of effective speaking and listening skills. In the 2006/07 financial year, our roadshows visited 623 schools.

We also reward teachers and schools that make a difference to young people. Our Speaking and Listening Awards made grants worth £85,500 in the 2006/07 financial year, to schools that demonstrate a commitment to excellence in communication. We also sponsor the UK's annual Teaching Awards, which recognise the nation's most inspiring teachers.

Campaigning for change

We aim to give young people the skills to campaign for social change and access to influential adults and public platforms.

We established Schools Question Time in partnership with the BBC and the Institute for Citizenship. It provides funding and advice for schools to host their own debates. Pupils also have the chance to co-produce an episode of the BBC's Question Time programme.

Circles of Influence are BT-sponsored events created and organised by the UK Youth Parliament. The aim is to provide an exciting format in which young people, Government officials and other influential adults can hold meaningful debates.

Helping Young People in Need

We want to make sure that the young people most in need are heard and helped.

ChildLine is the UK's free, 24-hour helpline for children in distress or danger. Our support has helped their volunteer counsellors increase the number of calls answered each day by 700 since 2002.

Our employees have raised more than £800,000 to date for ChildLine. An initiative to encourage customers to donate savings made through paying their bill by direct debit has raised more than £500,000.

We are working with ChildLine and the NSPCC to offer young people more ways to access counselling. Since April 2006, we have raised £2 million for ChildLine and £150,000 to support There4Me, a website that complements the telephone helpline.

We are working with communication charity I CAN to train early years professionals to help pre-school children develop the skills they need to make a strong start at school. We also support The Place2Be, a charity that helps children in primary schools to share emotions and fears and develop self-esteem and coping skills.

UNICEF

In April 2007 we launched our global development partnership with UNICEF to bring education, ICT and communication skills to thousands of disadvantaged children around the world.

We are investing £1.5 million over three years to help young people in three countries where BT is expanding its global business: South Africa in 2007/08, Brazil in 2008/09 and China in 2009/10.

BT employees will be encouraged to get involved through sponsorship, fundraising and volunteering.

Starting out in South Africa

In 2007/08, we will focus on projects in rural and semi-rural communities in South Africa to enhance the quality of basic education for all of the children in the programme.

The South African Government has invested heavily in education in recent years. However, poor infrastructure, high crime, historical inequalities and the prevalence of HIV/AIDS are all impeding progress.

Many schools are in very poor condition, with no water and inadequate sanitation, no electricity, no library and no computers. As many as 30,000 teachers have no qualifications.

Poor, black children living in more rural areas often don't get the education needed to lift them out of poverty. Two million children under the age of 15 have been orphaned by AIDS, and hundreds of affected teachers and children are too ill to work or learn.

Girls are especially vulnerable, with an alarming degree of violence against women in schools. Many girls are denied a safe school environment in which to learn.

Our partnership with UNICEF will support the South African Government's education strategy. Together with UNICEF we expect to:

- Help 25 schools directly, for example by building and refurbishing classrooms and creating a safe working environment. These schools will become hubs of excellence for 5 surrounding schools benefiting 18,750 children.
- Train 150 principals and teachers, benefiting 160,000 children
- Provide 250 computers, plus software and ICT educational materials
- Mentor 1,250 girls in ICT skills.

Fundraising Partnerships

BT helps charities coordinate major telephone and online appeals that raise millions of pounds. We manage the telephone network for these events and our call centres and volunteers take donations.

BBC Children in Need

The BBC Children in Need appeal helps children who have experienced disadvantage. On the 2006 appeal night, we provided network support to 50 call centres across the UK. These handled 222,000 calls during the evening and raised more than £18.3 million.

Comic Relief

Comic Relief is a UK charity that aims to reduce poverty by using comedy to raise money and increase awareness.

Comic Relief runs Red Nose Day - a UK-wide fundraising event. Red Nose Day 2007 took place on March 16th and over £40 million was raised on the evening.

The Disasters Emergency Committee

BT helps the Disasters Emergency Committee (DEC) to respond immediately to international disasters.

Our call centre handles telephone pledges to DEC, and our employees volunteer to take calls. Our eDonate platform allows people to make donations through a website. It cost £100,000 to set this platform up. We also provide technical and strategic advice to help appeals run more efficiently. We provide these services free of charge.

DEC is an alliance of UK aid agencies that runs fundraising campaigns to respond rapidly to major disasters overseas.

Global charity partnerships

We concentrate our community investment on countries where BT has a presence and can make a difference, especially in communities with little access to modern communications.

St Crispin's Home

In 2006, BT supported St Crispin's children's home in Pune, India, to open an IT training centre with a state of the art computer lab, classroom and equipment. The centre trained 587 young people during 2006/07. IT skills will help young people from St Crispin's compete for jobs in the global marketplace. The computer lab will be extended in 2007.

Project Renewal

BT supports a range of community organisations in North America, including Project Renewal, a homelessness charity in New York City. BT's support helps the organization and its clients with communication and ICT skills.

Supporting English teaching in Spain

We support English teaching in schools in Spain, in partnership with the Spanish Department of Education and the British Council. We host a web-community that connects 44 Spanish schools with schools in the UK, and have donated computer equipment.

Katha Information Technology and E-commerce School (KITES)

In 2001, we began working with Katha, an education charity that helps children from Delhi's poorest communities.

Katha creates an active and interesting learning environment to encourage the children back into education, as many have never attended school or have dropped out.

BT and Katha established KITES in Govindpuri - Delhi's largest slum. The school helps children from the area to learn ICT skills. BT provided the computer labs, equipment and software for students to access the latest technology. So far, more than 9890 children have acquired skills from basic computing to complex software programming.

Employees in the community

We encourage our employees to volunteer their time to good causes in their local community and to raise money for charity.

BT Volunteers

We have over 2900 BT Volunteers and Governors in the UK who work mainly in schools supporting the educational initiatives in our Better World Campaign. In the 2006/07 financial year, they delivered our resources and programmes to over 150,000 school children. BT recognises the importance of volunteering for personal development and gives employees up to two hours off each month to volunteer in schools subject to operational constraints.

Give As You Earn

This is our payroll giving scheme. Over 10,000 BT people donate to charity this way giving just under £2.3 million in the 2006/07 financial year. BT gave £1 million in match funding. Give As You Earn is also available to employees in the US and Spain. We will continue to extend the scheme to more employees worldwide during 2007/08.

BT Community Champions

This enables BT employees world-wide to apply for cash grants of up to £500 or sports kit (for an under 18s football team or a disabled adult team) for their local community group, charity or school, where they volunteer. During the 2006-07 financial year 844 grants were made worth over £197,000.

BT Chairman's Awards

BT Chairman's Awards recognise and reward BT people for their outstanding commitment to community groups and organisations outside working hours. The winner of each category receives £3,000 and the runners-up receive £1,000. There is also an outstanding achievement award worth £3,000. The winners for the 2006-07 financial year were Andrew Stroud for his work with Watford Hospitals Broadcasting Service, Damien McConville for Lamh Dhearg GAC Northern Ireland and Dave Wedlake for his work with the Rhoose Lifeguard Club, Wales.

Community Representatives

Community representatives are BT employees based in our key countries who volunteer their time to implement our global community investment strategy. They ensure we add a local perspective to our community, charity and volunteering activities.

Arts and Heritage

In today's digital age, communication is almost instantaneous and information is more plentiful and accessible than ever before. It can be easy to forget just how quickly technology has advanced and the impact this has had on our society. Responsible management of our telecommunications heritage is an important part of corporate responsibility for BT – the world's oldest communications company.

We also use our technology to help thousands of people access art online. This removes the obstacles of geography and travel which can otherwise prevent people from experiencing the richness of the UK's artistic heritage.

BT's Heritage Collection

Connected Earth

BT has a large collection of historic telecommunications artefacts, documents, images and films of acknowledged national significance. We are committed to preserving this collection, known as Connected Earth, and making it available to the widest possible audience through museums across the UK.

Connected Earth exhibitions are now on show at:

- Goonhilly Satellite Earth Station Experience, Cornwall
- Avoncroft Museum of Historic Buildings, West Midlands
- Amberley Working Museum, West Sussex
- The Royal Museum in the National Museums of Scotland, Edinburgh.

Objects from the collection can also be seen in Porthcurno Telegraph Museum in Cornwall, the Museum of London and the Science Museum. Connected Earth galleries are also planned at the Museum of Science and Industry in Manchester and Milton Keynes Museum.

Connected Earth - Online museum

The [Connected Earth online museum](#) has over 2,000 pages exploring the history of communications over the past 200 years. It charts the rapid improvements in our ability to transmit information, ideas, words, pictures and speech across the globe. The site had 593,626 visitors in 2006.

Free teaching resources on the history of communications are available from the [Connected Earth Education Centre](#).

BT Archives

The [BT Archive](#) documentary, image and film collections date back to 1846, reflecting our history as the world's oldest telecommunications company. Most of the collections are public records held on behalf of the nation. They are an internationally significant historical resource and can be viewed in our dedicated research facility in central London, see [BT Archives](#).

Arts for All

BT's Arts for All programme has helped make one of the world's largest modern and contemporary art collections easily accessible through sponsorship of [Tate Online](#), the UK's most visited visual arts website.

BT has been exclusive sponsor of [Tate Online](#), since 2001. This online gallery provides access to over 69,000 works from the Tate Collection, 400 hours of video and exclusive information on exhibitions and events at the four Tate Galleries. The site is powered by BT and we provide free technical support, hosting and online broadcasting. Over 11 million unique visitors visited Tate Online in the 2007 financial year.

Our in-house design team has worked with Tate to deliver exciting new projects exclusive to Tate Online:

- The [BT Series](#) lets visitors explore and ask questions about works by selected artists - including Tracey Emin, Antony Gormley & Rachel Whiteread.
- [Explore Tate Britain](#) and [Explore Tate Modern](#) offer an interactive way to explore the galleries' content online.
- [Tate Tracks](#) is an experiment where art inspires art. Musicians such as the Chemical Brothers are invited to walk around Tate Modern and find a work that inspires them to write a track. The tracks can be heard exclusively at Tate Modern for one month, and then are available online.

We are also working with the National Theatre, the British Film Institute and the Philharmonic Orchestra to make theatre, film and music more readily available online to schools and pupils.

Community - Key Performance Indicators

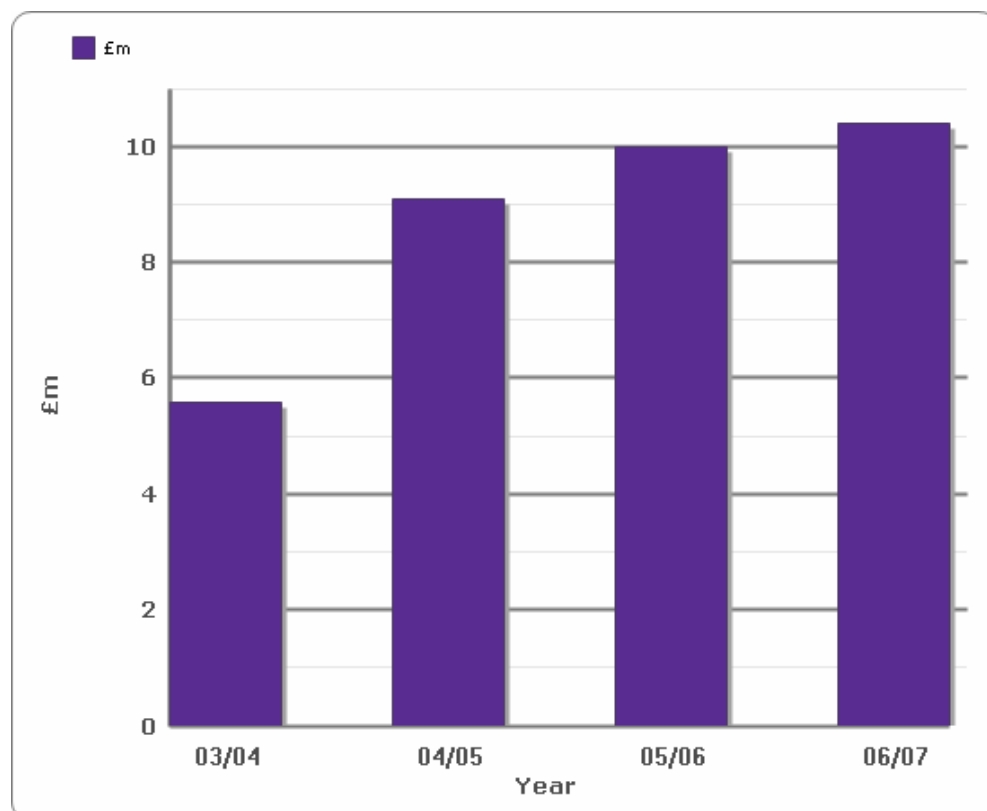
Indicator	Description	Measure	Target
Community contribution	A measure of our investment in society	During the 2007 financial year BT provided £21.8m in funding and support in kind.	Maintain a minimum investment of 1% of pre-tax profits.
Community Effectiveness Measure	An independent evaluation of our community programme	The community effectiveness score for the 2007 financial year was 70%.	To improve our Community Effectiveness Measure score to 75%

Community Targets

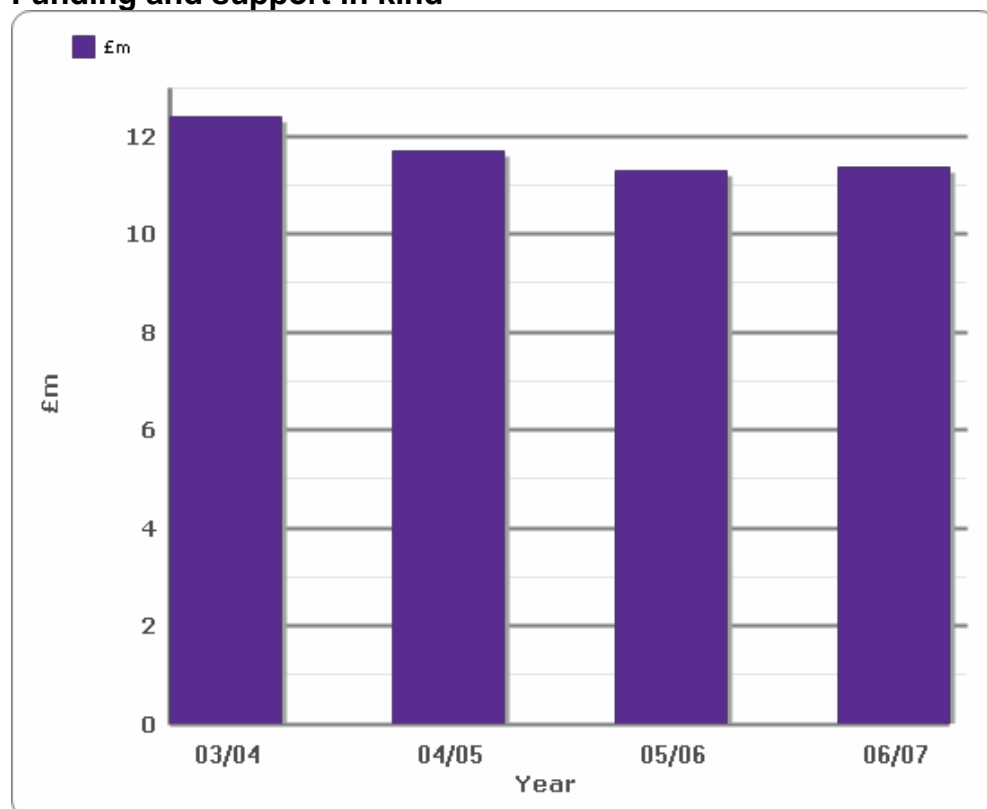
Start Date	End Date	Description	Update	Target Status
April 2007	March 2008	BT will improve its Community Effectiveness Measure score to 75%		New
April 2007	March 2008	We will provide a minimum of 1% of our 2005 financial year UK pre-tax profits to activities in support of society, either through direct funding or through support in kind.		New
April 2007	March 2008	We will ensure that 3 million young people benefit from BT's free speaking and listening resources.		New
April 2007	March 2008	250,000 children will receive lessons from BT volunteers and special BT teams in the class room		New
April 2007	March 2008	Through BT's fundraising initiatives, we will raise over £2million for our selected charity partners.		New
April 2007	March 2008	BT will increase the number of BT employees who join the payroll giving scheme by 10%.		New
April 2007	March 2008	BT will build on the success of the LifeLines India initiative by exploring options for further expansion of the service, including a proposal for funding from the BT Community Support Committee (CSC): either within India or in another developing country.		New
April 2007	March 2007	Through BT's fundraising initiatives, we will raise over £1million for our selected charity partners.	This financial year BT raised £2.0 million for ChildLine and £150,000 for There4Me.	Completed
April 2007	March 2007	BT will extend its existing employee volunteering options to enable employees around the globe to volunteer for the Inspiring Young Minds programme, the partnership with Red Cross / Red Crescent or other relevant programmes.		New
March 2007	April 2008	BT will launch a partnership with the Red Cross / Red Crescent as our global disaster relief partner to increase the ICT capability of the Red Cross, enabling them to respond more effectively to global disasters.		New
April 2006	March 2007	BT will increase the number of BT employees who join the "Give as you Earn" scheme by 10%.	During the year we added a total of 1356 new donors. This is an increase of 13.3%.	Completed

April 2006	March 2007	BT will provide a minimum of 1% of our 2005 financial year UK pre-tax profits to activities in support of society, either through direct funding or through support in kind.	The target was achieved with a total figure of £21.84 million representing 1.05% of pre tax profits for the 2005 financial year.	Completed
April 2006	March 2007	BT will ensure that 3 million young people benefit from BT's free speaking and listening resources.	Over 3 million young people benefited from BT's free speaking and Listening resources with around 2,900,000 derived from product orders and downloads and 480,000 from other sources e.g. NSET, Teacher training and School Governors.	Completed
April 2006	March 2007	250,000 children will receive lessons from BT volunteers and special BT teams in the class room.	265,000 young people received lessons from BT Volunteers and special BT teams in the classroom.	Completed
April 2005	March 2006	BT will launch the LifeLines India community investment programme (in support of the UN Millennium Development Goal, aimed at bridging the digital divide in a developing country).	LifeLines India was launched in October 2006. Around 400,000 farmers from 400 villages in regions of northern India have access and the service is taking more than 2,500 calls per month.	Completed
April 2005	March 2006	We will extend our volunteering and charity matching activities to employees based internationally to give something back to the key communities in which we are present around the globe. Following research on local fit, a programme of country implementation with appropriate volunteering and charity matching activities, funding and measures will be agreed with the Global Services Executive.	Following an assessment process, we selected UNICEF as our lead global charity partner and have launched Inspiring Young Minds. Within these programmes employees have both fundraising and volunteering opportunities. In-country lead Country and Business Unit Reps have been appointed.	Completed

Financial contribution



Funding and support in kind



Direct contribution to charity

