BT’s Sustainability Report
2007

Human rights
Human rights

We base all relevant BT policies and procedures on the principles of the United Nations Universal Declaration of Human Rights.

Our Business Principles include a commitment to protect and enhance the human dignity of every BT employee, and everyone who has dealings with us.

BT has the potential to affect human rights through:

- Our employment practices
- Working conditions in our supply chain.
- The countries where we operate
- The way our products and services are used by others (including issues around freedom of expression, privacy and content standards).

This section describes our approach to human rights and provides links to information in other sections of our report.

Human rights principles

We use the Universal Declaration of Human Rights to ensure all our policies enhance human dignity.

All our employees have access to the Universal Declaration on our intranet. An outline of our approach to human rights is included in the guidance document accompanying our statement of business practice – The Way We Work. Within our global operations a briefing on this statement is included in the induction programme for all new employees, including those from our recently acquired businesses.

We are in contact with expert groups and information sources that can help us implement our commitment to human dignity and improve our procedures. For example, we are a signatory to the UN's Global Compact, an initiative that strives to motivate business and industry around ten principles on corruption, environment, labour and human rights. We report on our progress and performance against the Global Compact principles - see Global Compact Index.

Implementing human rights

Human rights is a broad subject that is relevant to BT in our dealings with employees, suppliers, communities, governments and customers.

Employees

We protect the human rights of our employees by having strong policies, management systems and training on issues such as equal opportunities and diversity, freedom of association and health and safety. Our policies apply to all BT employees in all countries where we operate. See Employees for more information.

Supply chain

We want working conditions in our supply chain to meet the standards of the Universal Declaration of Human Rights and the International Labour Organisation (ILO) Conventions. Find out about our Sourcing with Human Dignity initiative in Suppliers.

Through the Global e-Sustainability Initiative (GeSI) we engage with ICT service providers and suppliers, and alliances focused on improving supply-chain working conditions, such as the Electronic Industry Code of Conduct (EICC).

Communities

We are expanding our business globally sometimes into countries where the government does not respect human rights. We need to identify potential human rights risks and put the right processes in place to ensure we maintain our standards wherever we operate. Information on how BT is integrating human rights into our due diligence process is available in the Business Principles section of this report.

We are working with UNICEF to improve access to education and ICT technology in disadvantaged communities in Brazil, China and South Africa. We share their belief that every child has the right to a decent education in a safe environment that is free from discrimination, violence and exploitation. See more in Community.

Customers and wider society

Freedom of expression

Access to information and communications technology (ICT) can help to promote freedom of expression and be a source of openness in otherwise closed societies. New technology also creates new challenges relating to free expression – for example misuse of the internet and protection for children. See more in Customers.

Privacy

Advances in ICT technology mean personal data is captured, stored and transferred more frequently than ever before. BT holds customers’ personal and financial data. Our servers and networks are a conduit for information
controlled by others. We manage data for many of our public and private sector customers. This makes privacy particularly relevant for us. We have robust standards on data protection but we need to keep these under continual review as new challenges emerge. See more in Customers.

**Human rights - Key Performance Indicators**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
<th>Measure</th>
<th>Target</th>
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</thead>
<tbody>
<tr>
<td>Ethical Trading</td>
<td>A measure of the application of BT’s supply chain human rights standard. Δ</td>
<td>During the 2006 financial year there were 413 risk assessments with 100% follow up.</td>
<td>To achieve 100% follow up within three months for all suppliers identified as high or medium risk during the 2008 financial year.</td>
</tr>
</tbody>
</table>

Δ risk assessments are based on completed questionnaires

**Human rights Targets**

<table>
<thead>
<tr>
<th>Start Date</th>
<th>End Date</th>
<th>Description</th>
<th>Update</th>
<th>Target Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>April 2007</td>
<td>March 2008</td>
<td>There will be evidence of follow up action taken within 3 months relating to all suppliers who have been identified as requiring continuous improvement as a result of completing our CSR questionnaires</td>
<td>The analysis has been completed. No further action has been identified at present.</td>
<td>New</td>
</tr>
<tr>
<td>April 2007</td>
<td>March 2008</td>
<td>BT will develop a coach approach on labour standards and engage with 2 global suppliers and their supply chains.</td>
<td></td>
<td>New</td>
</tr>
<tr>
<td>April 2007</td>
<td>March 2008</td>
<td>BT will achieve 100% follow up within 3 months for all suppliers identified as high or medium risk.</td>
<td></td>
<td>New</td>
</tr>
<tr>
<td>April 2006</td>
<td>March 2007</td>
<td>Following analysis of the CSR best practice event, BT will initiate follow through with 5 participating suppliers.</td>
<td>All questionnaires received had follow up action taken within the specified timescales.</td>
<td>Completed</td>
</tr>
<tr>
<td>April 2006</td>
<td>March 2007</td>
<td>BT will develop a coach approach on labour standards and engage with 2 suppliers.</td>
<td>2 joint assessments completed.</td>
<td>Completed</td>
</tr>
<tr>
<td>April 2006</td>
<td>March 2007</td>
<td>BT will take follow-up action within 3 months for all suppliers who have been identified as requiring continuous improvement as a result of completing our CSR questionnaires.</td>
<td>All questionnaires received had follow up action taken within the specified timescales.</td>
<td>Completed</td>
</tr>
<tr>
<td>April 2006</td>
<td>March 2007</td>
<td>BT will take 100% follow-up within 3 months for all suppliers identified as high or medium risk following a GS18 Sourcing with Human Dignity risk assessment.</td>
<td>All questionnaires received had follow up action taken within the specified timescales.</td>
<td>Completed</td>
</tr>
</tbody>
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