

Delivering environmental benefits

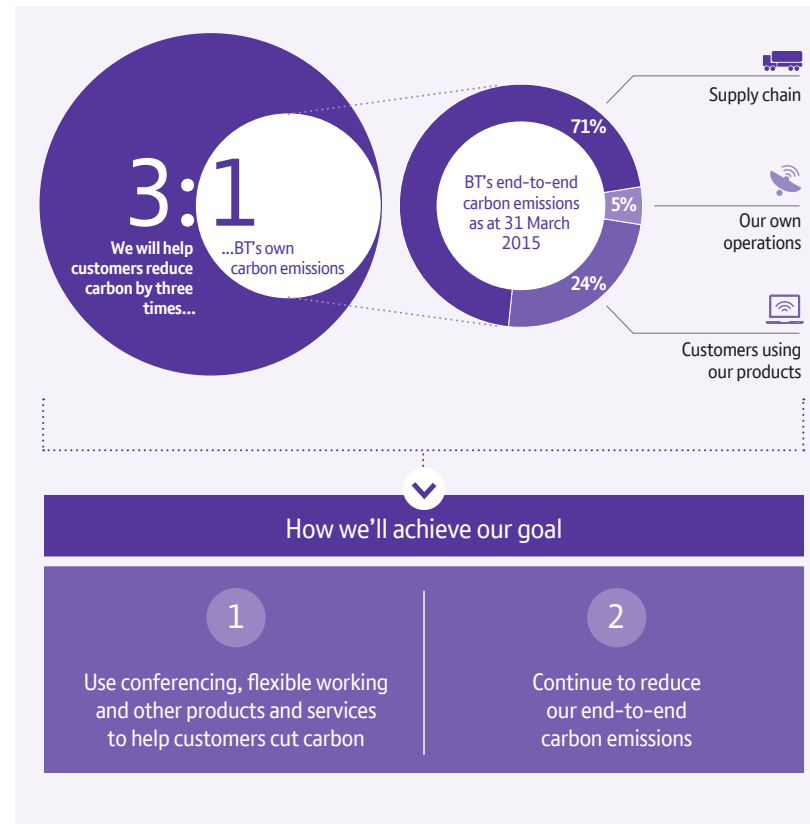
Our vision is to help society live within the constraints of our planet's resources through our products and people.

£3.4 bn

Generated £3.4bn in revenue through products and services that helped our customers avoid emissions by 1.5 times our end-to-end carbon impact.

4.5 %

Reduced worldwide energy use by 4.5% compared to 2013/14.



Carbon impact

Carbon emissions from our operations represent 5% of our end-to-end carbon impact. Our supply chain accounts for 71% and the products and services our customers used accounted for 24%.

Policy

We have a responsibility to speak up for policies we believe in, such as decarbonisation. Progress will bring innovation and business opportunities. Doing nothing poses risks to society and the environment.

Customers

We invest in innovative products and services to help our customers reduce their carbon emissions. This helps us achieve our 3:1 carbon abatement ambition for the year 2020. It's good for business, society and the planet. In 2014/15, we quantified 20 ways our products and services help our customers avoid carbon emissions, and we continued to work with the Carbon Trust to develop our methodology.

Our 2020 ambition

Help our customers reduce carbon emissions by at least 3 times the end-to-end carbon impact of our business.

Result 2014/15

1.5:1
ACHIEVED

Transport at BT

The BT Fuelsave programme uses engine remapping to make our vehicles run more efficiently. By making changes to the Engine Control Unit, we can make the engine operate as efficiently as possible for each type of journey. This is currently installed in over 22,000 of our commercial vehicles, and in 2014/15 we began rolling this out to BT Fleet customers.

We are introducing a target to improve the fuel efficiency of our fleet by 20% by 2020 against a 2011/12 baseline. This will bring significant environmental and financial benefits to our business. To achieve this we plan to invest £54m in a further 3,237 new lower emission vehicles in 2015/16 and we are trialling electric vehicles.

We are encouraging our drivers to adopt behaviours that help reduce their vehicles' carbon emissions. In 2014/15, almost 90 of our Openreach drivers took part in the Better Future Driver competition to learn about fuel efficient driving practices.



Investing in renewables

We commit to reducing our operational carbon emissions every year. We do this by, for example, sourcing renewable electricity, enabling more efficient transport and using our conferencing system to reduce business travel. As well as sourcing 100% renewable electricity from the grid in the UK, buying it directly from solar and wind power generation plants through Power Purchase Agreements (PPAs) gives us more freedom and control of our energy use.

We signed three additional PPAs with renewable electricity suppliers in 2014/15. Combined with our agreement with the Fallago Rig wind farm, signed in December 2013, and our agreement with Echo wind farm signed in November 2013, this brings our forecasted 2015/16 PPA output to 344GWh. This will equate to 16% of our total electricity use in Great Britain. These long term agreements of at least 15 years will reduce our carbon emissions, improve security of supply and keep the cost of electricity stable. One PPA connects a large photovoltaic solar array directly to our research hub at Adastral Park. On sunny days, the array will provide up to 90% of the site's electricity needs.



Moving to a low carbon economy

Working with policymakers and external stakeholders, we are accelerating the move towards a low carbon economy. We're doing this because it presents an opportunity for innovation and growth, and will reduce the risk of serious climate change impacts. We will continue to advocate for urgent climate action, particularly in the run-up to the UN's 21st Conference of the Parties on climate change in Paris.

We want to see a global agreement on climate action. We are supporting the transition to a low carbon economy by encouraging policy makers to put a price on carbon, promote renewables and agree a global deal on climate action.