

Appendices

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The UN Global Goals

The Global Goals for Sustainable Development call on governments, businesses and others around the world to meet three key objectives by 2030: to end extreme poverty, fight inequality and injustice, and limit climate change. They translate into 17 goals and 169 targets.

Read more at www.globalgoals.org



End poverty in all its forms everywhere.



End hunger, achieve food security and improved nutrition and promote sustainable agriculture.



Ensure healthy lives and promote well-being for all at all ages.



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



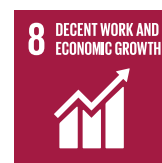
Achieve gender equality and empower all women and girls.



Ensure availability and sustainable management of water and sanitation for all.



Ensure access to affordable, reliable, sustainable and modern energy for all.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.



Reduce inequality within and among countries.



Make cities and human settlements inclusive, safe, resilient and sustainable.



Ensure sustainable consumption and production patterns.



Take urgent action to combat climate change and its impacts.



Conserve and sustainably use the oceans, seas and marine resources for sustainable development.



Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.



Strengthen the means of implementation and revitalize the global partnership for sustainable development.



THE GLOBAL GOALS
For Sustainable Development

Global Reporting Initiative (GRI)

The GRI Sustainability Reporting Framework is widely used by organisations around the world.

Delivering our purpose – update on our progress 2015/16 contains standard disclosures from the GRI Sustainability Reporting Guidelines.


The Framework, including the Reporting Guidelines, sets out the principles and indicators organisations can use to report their economic, environmental, and social performance. GRI promotes the use of sustainability reporting as a way for organisations


to become more sustainable and contribute to sustainable development.


We have used the SDG Compass tool to map our response and increase transparency. GRI/Global Goals mapping is based on analysis available [here](#).









Key





- M** material
- NM** not material
- Y** fully reported
- P** partially reported
- N** not reported
















	Index	Global Goal(s)	Brief requirement	Reported	Information in Delivering our purpose – update on our progress 2015/16	Information in Annual Report and Form 20-F 2016 and elsewhere
Strategy and analysis	G4-1		Provide a statement from the most senior decision-maker of the organisation about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability	Y	See, Introduction from our Chairman and Chief Executive, page 2	
	G4-2		Provide a description of key impacts, risks, and opportunities	Y	See, Our priorities, pages 9-11	See, Our risks, pages 49-56
Organisational profile	G4-3		Report the name of the organisation	Y	BT Group plc	
	G4-4		Report the primary brands, products, and services	Y	See, Our business, page 6	See, Group businesses
	G4-5		Report the location of the organisation's headquarters	Y	London (UK)	
	G4-6		Report the number of countries where the organisation operates, and names of countries where either the organisation has significant operations	Y	We're one of the world's leading communications services companies. We're based in the UK but we serve customers across 180 countries	See, BT UK and Worldwide
	G4-7		Nature of ownership and legal form	Y	British Telecommunications plc (BT) is a wholly-owned subsidiary of BT Group plc and encompasses virtually all businesses and assets of the BT Group. BT Group plc is listed on stock exchanges in London and New York	See, Governance, page 109
	G4-8		Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	Y	See, Our business, page 6	See Group businesses
	G4-9		Report the scale of the organisation	Y	See, Our business, page 6	See, Who we are and what we do, page 4
	G4-10		Report the total number of employees	Y	See, BT's people data in the Download Centre	See, A global workforce, page 31 and Our lines of business, page 58 for breakdown



















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	G4-11		Report the percentage of total employees covered by collective bargaining agreements	Y	In the UK, 77% of our employees, we recognise two main trade unions. The Communication Workers Union represents people in engineering, administration and clerical positions. Prospect represents managerial and professional people	We only work with people who choose to work freely. We respect their rights to equal opportunities, freedom of association and collective bargaining. See, our statement of business practice , page 32
	G4-12		Describe the organisation's supply chain	Y	See, Sourcing responsibly, page 16	See, Our suppliers, pages 39–40
	G4-13		Report any significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain	Y	EE in this report – We completed the EE acquisition on 29 January 2016, ten months into our financial year. We'll integrate the new business into our reporting for 2016/17. The information and data in this report don't include EE, unless we say otherwise	We completed the acquisition of EE. We are now the UK's leading communications provider, bringing together the UK's largest 4G network with the UK's biggest fibre network
Organisational profile: Commitments to external initiatives	G4-14		Report whether and how the precautionary approach or principle is addressed by the organisation	Y	See, Adapting to climate change, page 48	
	G4-15		List externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses	Y	See, Respecting Human Rights, page 17 and Collaborating with others, page 42 for examples	
	G4-16		List memberships of associations (such as industry associations) and national or international advocacy organisations	Y	Memberships are covered throughout our report – for example; Collaborating with others, page 42	
Identified material aspects and boundaries	G4-17		List all entities included in the organisation's consolidated financial statements or equivalent documents	Y	Our update covers all BT's wholly-owned operations and subsidiaries worldwide, with the exception of EE which was acquired on 29 January 2016. The information and data in this report don't include EE, unless we say otherwise	See, Our lines of business, page 5
	G4-18		Explain the process for defining the report content and the Aspect Boundaries	Y	See, Our reporting methodology, in the Download Centre	
	G4-19		List all the material Aspects identified in the process for defining report content	Y	See, Stakeholder materiality analysis, page 9	
	G4-20		For each material Aspect, report the Aspect Boundary within the organisation	Y	See, What matters to our stakeholders, page 11	
	G4-21		For each material Aspect, report the Aspect Boundary outside the organisation	Y	See, What matters to our stakeholders, page 11	
	G4-22		Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements	Y	See, Our reporting methodology, in the Download Centre	
	G4-23		Report significant changes from previous reporting periods in the Scope and Aspect Boundaries	Y	See, Our reporting methodology, in the Download Centre	
























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Stakeholder engagement	G4-24		Provide a list of stakeholder groups engaged by the organisation	Y	See, Listening to stakeholders, page 9	
	G4-25		Report the basis for identification and selection of stakeholders with whom to engage	Y	See, Listening to stakeholders, page 9	
	G4-26		Report the organisation's approach to stakeholder engagement	Y	See, Listening to stakeholders, page 9	
	G4-27		Report key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	Y	See, What matters to our stakeholders, page 11	
Report profile	G4-28		Reporting period	Y	See, Our reporting methodology, in the Download Centre	
	G4-29		Date of last report	Y	See, Our reporting methodology, in the Download Centre	
	G4-30		Reporting cycle	Y	See, Our reporting methodology, in the Download Centre	
	G4-31		Provide the contact point for questions regarding the report or its contents	Y	See, Our reporting methodology, in the Download Centre	
Report profile: GRI content index	G4-32		Report the 'in accordance' option the organisation has chosen	Y	Delivering our purpose – update on our progress 2015/16 contains Standard Disclosures from the GRI Sustainability Reporting Guidelines	
Report profile: assurance	G4-33		Report the organisation's policy and current practice with regard to seeking external assurance for the report	Y	Delivering our purpose – update on our progress 2015/16 is assured to AA1000 (AS) 2008 by LRQA. See LRQA assurance statement, in the Download Centre	See, Auditors' reports – consolidated financial statements, pages 158-163
GOVERNANCE: Governance, structure and composition	G4-34		Report the governance structure of the organisation, including committees of the highest governance body Identify any committees responsible for decision-making on economic, environmental and social impacts	Y	See, Our governance, page 12	See, Governance section from page 109 and Our Board
	G4-35		Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	Y	See, Our governance, page 12	
	G4-36		Report whether the organisation has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body	Y	BT's Chief Sustainability Officer, reports to the Group Director Strategy, Policy and Portfolio who reports to our Chief Executive	
	G4-37		Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics	Y	Our Board-level Committee for Sustainable and Responsible Business oversees our purposeful business strategy. It's led by our Chairman and includes our Chief Executive. Key stakeholder issues are reported to this Committee	All shareholders are invited to attend our Annual General Meeting and meet the Chairman and the Board of Directors






























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	G4-38	 	Report the composition of the highest governance body and its committees	Y	See, Our governance, page 12	See, Governance section from page 109 and Our Board
	G4-39		Report whether the Chair of the highest governance body is also an executive officer	Y	The roles of the Chairman and Chief Executive are separate	See, The Board, page 114
	G4-40	 	Report the nomination and selection processes for the highest governance body and its committees	Y		See, Nominating and Governance Committee Chairman' report, page 122
	G4-41		Report processes for the highest governance body to ensure conflicts of interest are avoided and managed	Y		See, Conflicted Matters Committee, page 115
Highest governance body's role in setting purpose, values and strategy	G4-42		Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organisation's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts	Y	See, Our governance, page 12	See, Operating Committee, page 26
Highest governance body's competencies and performance evaluation	G4-43		Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	Y		See, Nominating and Governance Committee Chairman' report, page 122
	G4-44		Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics	Y		See, Nominating and Governance Committee Chairman' report, page 122
Highest governance body's role in risk management	G4-45		Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities	Y	See, Our governance, page 12	
	G4-46		Report the highest governance body's role in reviewing the effectiveness of the organisation's risk management processes for economic, environmental and social topics	Y	See, Our governance, page 12	
	G4-47		Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	Y	See, Our governance, page 12	
Highest governance body's role in sustainability reporting	G4-48		Report the highest committee or position that formally reviews and approves the organisation's sustainability report and ensures that all material Aspects are covered	Y	The Disclosure Committee reviews and assesses our reporting on delivering our purpose as part of its oversight of all our annual corporate reporting	























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Highest governance body's role in evaluating economic, environmental and social performance	G4-49		Report the process for communicating critical concerns to the highest governance body	Y	See, Our governance, page 12	
	G4-50		Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	Y	See, Our governance, page 12	
Remuneration and incentives	G4-51		Report the remuneration policies for the highest governance body and senior executives	Y		Report on Directors' Remuneration, page 128
	G4-52		Report the process for determining remuneration	Y		Report on Directors' Remuneration, page 128
	G4-53		Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable	Y		All shareholders are invited to attend our Annual General Meeting and meet the Chairman and the Board of Directors. We welcome this opportunity to report on our performance and answer any questions
	G4-54		Report the ratio of the annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country	N	We do not report this information	
	G4-55		Report the ratio of percentage increase in annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country	N	We do not report this information	
Ethics and integrity	G4-56		Describe the organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics	Y	See, Doing business ethically, page 15	See, Our Purpose , our statement of business practice and Code of Ethics
	G4-57		Report the internal and external mechanisms for seeking advice on ethical and lawful behaviour, and matters related to organisational integrity, such as helplines or advice lines	Y	We provide advice on our intranet pages as well as providing advice lines for employees and external stakeholders	See, our statement of business practice (page 11)
	G4-58		Report the internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organisational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines	Y	Our Speak Up channel – a confidential and independent telephone and online service – is available to all BT employees, contractors, sub-contractors and suppliers globally to report concerns about ethical business practices	See, our statement of business practice (page 11)




















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ECONOMIC: Economic Performance			M	Our Annual Report and Form 20-F 2016 covers our financial performance for the year	www.bt.com/annualreport
G4-EC1	    	Direct economic value generated and distributed	Y		See, Financial statements, page 157
G4-EC2		Financial implications and other risks and opportunities for the organisation's activities due to climate change	Y	See, Managing risk, page 10 and Adapting to climate change, page 48	See, Security and resilience risk, page 49
G4-EC3		Coverage of the organisation's defined benefit plan obligations	Y	See, Rewarding performance, page 23	See, Pensions, page 48
G4-EC4		Financial assistance received from government	Y		Under the BDUK programme we're investing alongside public funding to bring fibre broadband to rural communities. See, page 87
ECONOMIC: Market Presence			NM	This has not been identified as a material aspect this year	
G4-EC5	  	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	NM	This has not been identified as a material issue this year	
G4-EC6		Proportion of senior management hired from the local community at significant locations of operation	NM	This has not been identified as a material issue this year	
ECONOMIC: Indirect Economic Impacts			M	BT contributes to national and local economies, in terms of jobs, output and Gross Value Added (GVA) supported	
G4-EC7	    	Development and impact of infrastructure investments and services supported	Y	See, Investing in broadband, page 36 and Connecting the world, page 37	






Index	Global Goal(s)	Brief requirement	Reported	Information in Delivering our purpose – update on our progress 2015/16	Information in Annual Report and Form 20-F 2016 and elsewhere
G4-EC8	     	Indirect economic impacts	Y	See, Delivering social benefits, page 35	We have published several research papers on this subject, which can be found here and Valuing Digital Inclusion
ECONOMIC: Procurement Practices			NM	<p>To work with us, suppliers must demonstrate they are ethical and responsible. In return, we treat them fairly and support them if needed. See, Sourcing responsibly, page 16.</p> <p>This has not been identified as a material aspect this year</p>	
G4-EC9		Proportion of spending on local suppliers at significant locations of operation	NM	This has not been identified as a material issue this year	
ENVIRONMENTAL: Materials			NM	We consider sustainability, including packaging, in our design process, see Customer use of our products on page 48. The SSDs in this aspect have not been identified as material	
G4-EN1	 	Materials used by weight or volume	NM	This has not been identified as a material issue this year	
G4-EN2	 	Percentage of materials used that are recycled input materials	NM	This has not been identified as a material issue this year	
ENVIRONMENTAL: Energy			M	BT is not in an energy intensive sector, it is subject to the UK CRC Energy Efficiency Scheme. We are also subject to the UK Climate Change Levy (CCL) on the electricity and the Natural Gas that we use	
G4-EN3	   	Energy consumption within the organisation	Y	See Energy efficiency, page 47, and BT's environmental data in the Download Centre	BT TSO is responsible for managing the group's energy consumption, see page 90
G4-EN4	  	Energy consumption outside the organisation	P	This has not been identified as a material issue this year, although this is part of our Scope 3 activities, see Reducing our end-to-end emissions, page 46	





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G4-EN5	   	Energy intensity	NM	This has not been identified as a material issue this year	
G4-EN6	   	Reduction of energy consumption	Y	See, Energy efficiency, page 47, and BT's environmental data in the Download Centre	See page 44
G4-EN7	   	Reductions in energy requirements of products and services	Y	See, Customer use of our products, page 48	
ENVIRONMENTAL: Water			NM	Water use has not been identified as a material aspect this year	
G4-EN8		Total volume of water withdrawn by source	Y	We are not large users of water; most use is for personal hygiene and catering facilities in our buildings, and to cool equipment across our estate. See, Water use, page 49, and BT's environmental data in the Download Centre	See, Conserving natural resources, page 44
G4-EN9		Water sources significantly affected by withdrawal of water	NM	This has not been identified as a material issue this year	
G4-EN10	  	Percentage and total volume of water recycled and reused	NM	This has not been identified as a material issue this year	
ENVIRONMENTAL: Biodiversity			NM	This has not been identified as a material aspect this year. We promote biodiversity at BT sites by using our land to provide natural habitats such as wildflower meadows that support rare flora, insects and wildlife. See page 49 for other examples	
G4-EN11	  	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	NM	This has not been identified as a material issue this year	
G4-EN12	  	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	NM	This has not been identified as a material issue this year	









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G4-EN13	  	Habitats protected or restored	NM	This has not been identified as a material issue this year	
G4-EN14	  	Total number of IUCN red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	NM	This has not been identified as a material issue this year	
ENVIRONMENTAL: Emissions			M	We use the World Resources Institute (WRI) Greenhouse Gas Protocol (GHGP) Corporate Accounting and Reporting Standard (revised edition). GHG emissions are a material issue; however, other SSDs in this aspect are not	
G4-EN15	    	Direct greenhouse gas (GHG) emissions (scope 1)	Y	See, Reducing our end-to-end emissions, page 46, and BT's environmental data in the Download Centre	See, Our own energy use and carbon footprint, page 44
G4-EN16	    	Energy indirect greenhouse gas (GHG) emissions (scope 2)	Y	See, Reducing our end-to-end emissions, page 46, and BT's environmental data in the Download Centre	See, Our own energy use and carbon footprint, page 44
G4-EN17	    	Other indirect greenhouse gas (GHG) emissions (scope 3)	Y	See, Reducing our end-to-end emissions, page 46, and BT's environmental data in the Download Centre	
G4-EN18	  	Greenhouse gas (GHG) emissions intensity	Y	See, Reducing our end-to-end emissions, page 46, and BT's environmental data in the Download Centre	See, Our own energy use and carbon footprint, page 44
G4-EN19	  	Reduction of greenhouse gas (GHG) emissions	Y	See, Our operations, page 46, and BT's environmental data in the Download Centre	See, Our own energy use and carbon footprint, page 44
G4-EN20	 	Emissions of ozone-depleting substances (ODS)	NM	This has not been identified as a material issue this year. See, Refrigerants, page 49	
















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G4-EN21	   	NOX, SOX, and other significant air emissions	NM	This has not been identified as a material issue this year	
ENVIRONMENTAL: Effluents and Waste			M	Waste generation is a material issue and is managed within the scope of our Environmental Management System; however, some SSDs in this aspect group are not material to BT	
G4-EN22	   	Total water discharge by quality and destination	NM	This has not been identified as a material issue this year	
G4-EN23	  	Total weight of waste by type and disposal method	Y	See, Waste and recycling page 49, and BT's environmental data in the Download Centre	See, Conserving natural resources, page 44
G4-EN24	    	Total number and volume of significant spills	P	See, Fuel storage page 49	
G4-EN25	  	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention 2 ANNEX I, II, III, and VIII	NM	This has not been identified as a material issue this year	
G4-EN26	  	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organisation's discharges of water and runoff	NM	This has not been identified as a material issue this year	
ENVIRONMENTAL: Products and Services			NM	This has not been identified as a material aspect this year. We don't manufacture our products ourselves, so we work with suppliers to reduce their impacts. See, Better Future Supplier Forum	





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G4-EN27	     	Extent of impact mitigation of environmental impacts of products and services	NM	This has not been identified as a material issue this year	
G4-EN28	 	Percentage of products sold and their packaging materials that are reclaimed by category	NM	This has not been identified as a material issue this year	
ENVIRONMENTAL: Compliance			M	Our environmental policy sets out our commitments	
G4-EN29		Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	Y	None reported in the year. See, Delivering our purpose targets in the Download Centre	
ENVIRONMENTAL: Transport			M	We operate a large fleet of commercial vehicles and company cars and any associated environmental issues are managed within the scope of our Environmental Management Systems	
G4-EN30	  	Significant environmental impacts of transporting products and other goods and materials for the organisation's operations, and transporting members of the workforce	P	See, Our operations, pages 47, and BT's environmental data in the Download Centre	
ENVIRONMENTAL: Overall			NM	Our aims, guiding principles and environmental commitments are laid out in our Environmental Policy. The SSD in this aspect not been identified as material	Our policies (including environmental)
G4-EN31	      	Total environmental protection expenditures and investments by type	NM	This has not been identified as a material issue this year	






Index	Global Goal(s)	Brief requirement	Reported	Information in Delivering our purpose – update on our progress 2015/16	Information in Annual Report and Form 20-F 2016 and elsewhere
ENVIRONMENTAL: Supplier Environmental Assessment			M	Working with responsible suppliers reduces risks to our reputation and helps us meet our business goals. We share best practices and tools to help key suppliers improve through our Better Future Supplier Forum . Our criteria for selecting new suppliers includes environmental and social factors, such as energy use, labour standards and diversity and inclusion	See Supply chain risk, page 50
	G4-EN32	Percentage of new suppliers that were screened using environmental criteria	Y	See, Our supply chain, page 46	
	G4-EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	Y	See, Our supply chain, page 46	
ENVIRONMENTAL: Environmental Grievance Mechanisms			NM	Our aims, guiding principles and environmental commitments are laid out in our Environmental Policy. The SSD in this aspect has not been identified as material	Our policies (including environmental)
	G4-EN34 	Number of grievances about environmental impacts	NM	This has not been identified as a material issue this year	Details of how to contact BT can be found on our website
SOCIETY: Local Communities			NM	This has not been identified as a material aspect this year	
	G4-S01  	Percentage of operations with implemented local community engagement, impact assessments, and development programs	NM	This has not been identified as a material issue this year	
	G4-S02	Operations with significant actual and potential negative impacts on local communities	NM	This has not been identified as a material issue this year	
SOCIETY: Anti-corruption			M	See, Doing business ethically, page 15, which describes our approach to charitable donations, sponsorship, gifts and hospitality. We do not tolerate bribery or corruption in any form	Our policies
	G4-S03 	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	P	See Doing business ethically, page 15 for our approach	
	G4-S04 	Communication and training on anti-corruption policies and procedures	Y	See Doing business ethically, page 15 for our approach	







	Index	Global Goal(s)	Brief requirement	Reported	Information in Delivering our purpose – update on our progress 2015/16	Information in Annual Report and Form 20-F 2016 and elsewhere
	G4-S05		Confirmed incidents of corruption and actions taken	N	We do not report this data	
SOCIETY: Public Policy				NM	We support policies and partnerships that will help to create a low-carbon economy. See, Collaborating with others, page 42. This has not been identified as a material aspect this year	BT's Public Affairs Team engage on policy development in key locations, for example in the last year on EU Digital Single Market, EU Telecoms Framework Review and Open Internet & Net Neutrality
	G4-S06		Total value of political contributions by country and recipient/beneficiary	Y	Our policy is that no company in the group will make contributions in cash or kind to any political party, whether by gift or loan	See Political Donations, page 153
SOCIETY: Anti-Competitive Behaviour				M	We compete vigorously but fairly, being honest, respectful and trustworthy in all our dealings	See page 36 of our of statement of business practice
	G4-S07		Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes	N	We do not report this data	
SOCIETY: Compliance				M	We compete vigorously but fairly, being honest, respectful and trustworthy in all our dealings	See page 36 of our of statement of business practice
	G4-S08		Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	N	We do not report this data	
SOCIETY: Supplier Assessment for Impacts on Society				M	Helping our suppliers manage their social and environmental impacts reduces risk to our own business, improves our performance and helps us meet stakeholder expectations. Our criteria for selecting new suppliers includes environmental and social factors, such as energy use, labour standards and diversity and inclusion	
	G4-S09		Percentage of new suppliers that were screened using criteria for impacts on society	Y	See, Sourcing responsibly, page 16	
	G4-S010		Significant actual and potential negative impacts on society in the supply chain and actions taken	Y	See, Sourcing responsibly, page 16	





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SOCIETY: Grievance Mechanisms for Impacts on Society				NM	This has not been identified as a material aspect this year	Details of how to contact BT can be found on our website
	G4-S011		Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	NM	This has not been identified as a material issue this year	
LABOUR PRACTICES AND DECENT WORK: Employment				M	To work with us, suppliers must demonstrate they are ethical and responsible. In return, we treat them fairly and support them if needed. See, Sourcing responsibly, page 16	Our supply chain initiative, Sourcing with Human Dignity, outlines a set of standards based on the United Nations Universal Declaration of Human Rights and International Labour Organisation Conventions. You can read more here
	G4-LA1	 	Total number and rates of new employee hires and employee turnover by age group, gender and region	P	See BT's people data in our Download Centre	See, Our people, pages 31-34
	G4-LA2		Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	NM	This has not been identified as a material issue this year	
	G4-LA3	 	Return to work and retention rates after parental leave, by gender	P	See, Promoting gender balance, page 23	See, Diversity at work, page 33
LABOUR PRACTICES AND DECENT WORK: Labour/ Management Relations				NM	This has not been identified as a material aspect this year	
	G4-LA4		Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	NM	This has not been identified as a material issue this year	
LABOUR PRACTICES AND DECENT WORK: Occupational Health and Safety				M	Managing occupational risks is a fundamental responsibility for us as an employer. And we go beyond this by helping our people address risk factors outside work, intervening early when things are going wrong and supporting their recovery to be able to work productively again following sickness or injury. See, Promoting wellbeing, page 25	
	G4-LA5		Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on OHS programs	P	We engage with employees and their representatives through our European Consultative Council, and discussions with the Communication Workers Union and Prospect in the UK	See, Engaging our people, page 33

	Index	Global Goal(s)	Brief requirement	Reported	Information in Delivering our purpose – update on our progress 2015/16	Information in Annual Report and Form 20-F 2016 and elsewhere
	G4-LA6	 	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	P	See, Promoting wellbeing, page 25 and BT's people data in the Download Centre	
	G4-LA7	 	Workers with high incidence or high risk of diseases related to their occupation	P	See, Promoting wellbeing, page 25	
	G4-LA8		Health and safety topics covered in formal agreements with trade unions	N	Not reported	
LABOUR PRACTICES AND DECENT WORK: Training and Education				NM	We provide a wide choice of training, events and opportunities to share information. This has not been identified as a material aspect this year	We invest in learning and development to allow our people to build skills and careers to deliver successfully for our customers. The BT Academy helps them do this. See, Investing for growth, page 32
	G4-LA9	  	Average hours of training per year per employee by gender, and by employee category	NM	This has not been identified as a material issue this year	
	G4-LA10		Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Y	See, Developing talent, page 22	See, Investing for growth, page 32
	G4-LA11	 	Percentage of employees receiving regular performance and career development reviews	Y	See, Developing talent, page 22	
LABOUR PRACTICES AND DECENT WORK: Diversity and Equal Opportunity				M	We don't discriminate against anyone on any grounds. And we want to make sure our people don't either. Our Global Inclusion Steering Group drives our efforts to make inclusion part of the way we work every day. See, Creating an inclusive workplace, page 23	See, Diversity at work, page 33
	G4-LA12	 	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Y	See, Promoting gender balance, page 23 and BT's people data table in the Download Centre	See, Nominating & Governance Committee Chairman's report, page 122 for gender diversity policy for the Board
LABOUR PRACTICES AND DECENT WORK: Equal Remuneration for Women and Men				NM	This has not been identified as a material aspect this year	
	G4-LA13	  	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	NM	This has not been identified as a material issue this year	

Index	Global Goal(s)	Brief requirement	Reported	Information in Delivering our purpose – update on our progress 2015/16	Information in Annual Report and Form 20-F 2016 and elsewhere
LABOUR PRACTICES AND DECENT WORK: Supplier Assessment for Labour Practices			M	We ask suppliers to complete a questionnaire on sourcing with human dignity. We use their responses to assess the level of risk and work with them to tackle areas of concern. See, Sourcing responsibly, page 16	
	G4-LA14 	Percentage of new suppliers that were screened using labour practices criteria	Y	See, Sourcing responsibly, page 16	See, Ethical standards in our supply chain, page 40
	G4-LA15 	Significant actual and potential negative impacts for labour practices in the supply chain and actions taken	Y	See, Sourcing responsibly, page 16	
LABOUR PRACTICES AND DECENT WORK: Labour Practices Grievance Mechanisms			NM	This has not been identified as a material aspect this year	Our Speak Up channel – a confidential and independent telephone and online service – is now available to all BT employees, contractors, sub-contractors and suppliers globally to report concerns about ethical business practices
	G4-LA16 	Number of grievances about labour practices filed, addressed, and resolved through formal grievance mechanisms	NM	This has not been identified as a material issue this year	
PRODUCT RESPONSIBILITY: Customer Health and Safety			M	Mobile phones and wi-fi routers use electromagnetic fields (EMF) to transmit information wirelessly. Some people are worried about potential health impacts. See, Managing risk, page 10	See, Transmission of radio waves from mobile telephones, transmitters and associated equipment, page 56
	G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	NM	This has not been identified as a material issue this year	
	G4-PR2 	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	NM	This has not been identified as a material issue this year	

	Index	Global Goal(s)	Brief requirement	Reported	Information in <u>Delivering our purpose – update on our progress 2015/16</u>	Information in <u>Annual Report and Form 20-F 2016</u> and elsewhere
PRODUCT RESPONSIBILITY: Product and Service Labelling				M	Customer experience is a material issue; however, other SSDs are not	
	G4-PR3		Type of product and service information required by the organisation's procedures for product and service information and labelling, and percentage of significant product and service categories subject to such information requirements	NM	This has not been identified as a material issue this year	User guides (including technical specifications) are published on our website
	G4-PR4		Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes	NM	This has not been identified as a material issue this year	
	G4-PR5		Results of surveys measuring customer satisfaction	Y	See, Putting customers first, page 10	See, Deliver superior customer service, page 22
PRODUCT RESPONSIBILITY: Marketing Communications				NM	This has not been identified as a material aspect this year	See our Customer related codes of practice
	G4-PR6		Sale of banned or disputed products	NM	This has not been identified as a material issue this year	
	G4-PR7		Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications	NM	This has not been identified as a material issue this year	
PRODUCT RESPONSIBILITY: Customer Privacy				M	Privacy remains a key concern for our stakeholders. We must be open about our approach and make sure our people, products and services protect customers' privacy	We have to maintain a balance of protecting information, providing valuable services efficiently, and supporting police and other government agencies in their fight against terrorism. This year, we published our latest thinking on achieving this balance
	G4-PR8		Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	Y	See, Protecting customers' privacy, page 17	
PRODUCT RESPONSIBILITY: Compliance				M	Our Compliance Programme Panel is chaired by the Group General Counsel and Company Secretary. See, Our governance, page 12	
	G4-PR9		Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	Y	None reported in the year. See, Our targets in the Download Centre	

	Index	Global Goal(s)	Brief requirement	Reported	Information in Delivering our purpose – update on our progress 2015/16	Information in Annual Report and Form 20-F 2016 and elsewhere
HUMAN RIGHTS			Our approach	M	Our Human Rights Steering Group includes senior representatives from across the business to oversee the implementation of our human rights programme. See, Our governance, page 12, and Respecting human rights, page 17	Our statement of business practice , gives guidance to our employees, suppliers and anyone working on our behalf, on how we expect them to behave and on our values
HUMAN RIGHTS: Investment	G4-HR1		Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	NM	This has not been identified as a material issue this year	
	G4-HR2		Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations	NM	This has not been identified as a material issue this year	
HUMAN RIGHTS: Non-discrimination				M	We respect the dignity, liberty and equality of everyone we work with. Our policies and procedures are based on the United Nations' Universal Declaration of Human Rights	See, our statement of business practice , page 32
	G4-HR3	  	Total number of incidents of discrimination and corrective actions taken	Y	See, Discrimination litigation cases, BT's people data, in our Download Centre	
HUMAN RIGHTS: Freedom of Association and Collective Bargaining				M	We only work with people who choose to work freely. We respect their rights to equal opportunities, freedom of association and collective bargaining	See, our statement of business practice , page 32
	G4-HR4		Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	Y	See, Sourcing responsibly, page 16	
HUMAN RIGHTS: Child Labour				M	We don't use child labour and we demand the same of our suppliers and their suppliers	See, our statement of business practice , page 32
	G4-HR5	 	Operations and suppliers identified as having significant risk for incidents of child labour, and measures taken to contribute to the effective abolition of child labour	Y	See, Sourcing responsibly, page 16	

	Index	Global Goal(s)	Brief requirement	Reported	Information in Delivering our purpose – update on our progress 2015/16	Information in Annual Report and Form 20-F 2016 and elsewhere
HUMAN RIGHTS: Forced or Compulsory Labour				M	We don't use or accept forced, bonded or involuntary prison labour	See, our statement of business practice , page 32
	G4-HR6		Operations and suppliers identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of all forms of forced or compulsory labour	Y	See, Sourcing responsibly, page 16	
HUMAN RIGHTS: Security Practices				NM	This has not been identified as a material aspect this year	
	G4-HR7		Percentage of security personnel trained in the organisation's human rights policies or procedures that are relevant to operations	NM	This has not been identified as a material issue this year	
HUMAN RIGHTS: Indigenous Rights				NM	This has not been identified as a material aspect this year	
	G4-HR8		Total number of incidents of violations involving rights of indigenous peoples and actions taken	NM	This has not been identified as a material issue this year	
HUMAN RIGHTS: Assessment				NM	This has not been identified as a material aspect this year	
	G4-HR9		Total number and percentage of operations that have been subject to human rights reviews or impact assessments	NM	This has not been identified as a material issue this year	
HUMAN RIGHTS: Supplier Human Rights Assessment				M	We are committed to implementing the UN Guiding Principles on Business and Human Rights. See, Respecting human rights, page 17	Our statement of business practice sets out our commitment, as an original signatory to the United Nations Global Compact principles, to embrace, support and respect human rights and ensure we're not complicit in human rights abuses
	G4-HR10		Percentage of new suppliers that were screened using human rights criteria	Y	See, Sourcing responsibly, page 16	
	G4-HR11		Significant actual and potential negative human rights impacts in the supply chain and actions taken	Y	See, Sourcing responsibly, page 16	
HUMAN RIGHTS: Grievance Mechanisms				NM	This has not been identified as a material aspect this year	Our Speak Up channel – a confidential and independent telephone and online service – is now available to all BT employees, contractors, sub-contractors and suppliers globally to report concerns about ethical business practices
	G4-HR12		Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanism	NM	This has not been identified as a material issue this year	

United Nations Global Compact

We have been a signatory to the Global Compact since 2000 and we reaffirm our support for the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

This annual Communication on Progress (see table) summarises the key sections of our report as they relate to the Global Compact's principles and our business strategy, culture and operations. There are links to further information such as measures, lessons learned and our future plans.

Principles	Information in Delivering our purpose – update on our progress 2015/16	Information in Annual Report and Form 20-F 2016 and elsewhere
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	See, Respecting human rights, page 17, which summarises our approach to protecting human rights	Our commitment to the Global Compact is reinforced in our statement of business practice , which gives guidance to our employees, suppliers and anyone working on our behalf, on how we expect them to behave and on our values
Principle 2: Businesses should make sure that they are not complicit in human rights abuses	See, Respecting human rights, page 17, which summarises our approach to protecting human rights. Our Human Rights Steering Group includes senior representatives from across the business to oversee the implementation of our human rights programme	Our commitment to the Global Compact is reinforced in our statement of business practice . We have to maintain a difficult balance of protecting information, providing valuable services efficiently, and supporting police and other government agencies in their fight against terrorism. This year, we published our latest thinking on achieving this balance
Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	We respect rights to equal opportunities, freedom of association and collective bargaining. See, Listening to our people, page 22	Our statement of business practice gives guidance to our employees, suppliers and anyone working on our behalf, on how we expect them to behave and on our values
Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour	We don't use or accept forced, bonded or involuntary prison labour. We don't demand or hold on to deposits or identity papers for our workers, or deal with businesses that do. We only work with people who choose to work freely. See, Sourcing responsibly, page 16	Our Sourcing with Human Dignity standard , introduced in 2001, specifies the minimum standards we expect of our suppliers
Principle 5: Businesses should uphold the effective abolition of child labour	We don't use child labour and we demand the same of our suppliers and their suppliers. See, Sourcing responsibly, page 16	Our Sourcing with Human Dignity standard , introduced in 2001, specifies the minimum standards we expect of our suppliers
Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation	We don't discriminate against anyone on any grounds. Our Global Inclusion Steering Group drives our efforts to make inclusion part of the way we work every day. See, Creating an inclusive workplace, page 23	We are an equal opportunities employer. As a Two Ticks employer, in the UK, we actively encourage the recruitment, development and retention of disabled people
Principle 7: Businesses should support a precautionary approach to environmental challenges	Our environment policy and management systems are designed to ensure we comply with environmental legislation and continually improve our performance in these areas. See Managing environmental impacts, page 49, Adapting to climate change, page 48, and Customer use of our products, page 48	Our policies (including environmental)
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility	See, Managing environmental impacts, page 49, for our approach to environmental issues, including our environmental policy and our work to reduce the impacts of our products	Our Supplier Forum is a collaborative, learning and development forum set up to identify, collect, disseminate and implement best practice and drive innovative sustainable product and proposition development
Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies	We're using our technology to help customers cut their carbon emissions, harness the power of communications and lay the groundwork for a low-carbon economy. See, Helping customers cut carbon, page 43. We work with suppliers to reduce their environmental impacts. See, Customer use of our products, page 48	We are part of the Net Positive movement , led by Forum for the Future, WWF UK and The Climate Group, which seeks to clarify, develop and drive adoption of the Net Positive concept
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery	We do not tolerate bribery or corruption in any form. See, Doing business ethically, page 15	Our statement of business practice gives guidance to our employees, suppliers and anyone working on our behalf, on how we expect them to behave and on our values

ISO 26000

ISO 26000 ‘Guidance on social responsibility’ provides a guidance framework to help businesses and organisations operate in a socially responsible way.

This is the sixth year that we have cross referenced our report to the core subjects and issues of the guidance.

Core subject	Clause	Information in Delivering our purpose – update on our progress 2015/16	Information in Annual Report and Form 20-F 2016 and elsewhere
Organisational governance	6.2	See, Our governance, page 12	Our Board-level Committee for Sustainable and Responsible Business has a duty to maintain and grow world class corporate responsibility performance, to minimise any Corporate Responsibility and Sustainability (CR&S) risks to BT’s operations and reputation, and to help maximise business opportunities from CR&S
HUMAN RIGHTS: Issue 1: Due diligence	6.3.3	See, Respecting human rights, page 17	Our statement of business practice guides employees, suppliers and anyone working on behalf of BT on how to behave in different situations. It states our commitment to the United Nations’ universal declaration of human rights
Issue 2: Human rights risk situations	6.3.4	See, Sourcing responsibly, page 16	Like all businesses, we are affected by a number of risks and uncertainties. These may be impacted by internal and external factors and we have a group-wide risk management process to identify and mitigate these. See, our risks, page 46
Issue 3: Avoidance of complicity	6.3.5	See, Doing business ethically, page 15	Our statement of business practice guides employees, suppliers and anyone working on behalf of BT on how to behave in different situations. It states our commitment to the United Nations’ universal declaration of human rights
Issue 4: Resolving grievances	6.3.6	See, Doing business ethically, page 15	The Contact BT pages on our website provide access for external stakeholders to contact us for any queries about the company. Our employees have access to a confidential hotline to report any concerns
Issue 5: Discrimination and vulnerable groups	6.3.7	See, Doing business ethically, page 15, Creating an inclusive workplace, page 23, and Sourcing responsibly, page 16	We communicate our business principles to all employees, agents, contractors and others in statement of business practice . We are an inclusive employer and treat all our people fairly and actively encourage and celebrate difference
Issue 6: Civil and political rights	6.3.8	See, Doing business ethically, page 15	We respect the dignity, liberty and equality of every BT employee and everyone who has dealings with us
Issue 7: Economic, social and cultural rights	6.3.9	See Delivering social benefits, page 35, and Building skills, page 28	Our web pages provide links to our free Tech Literacy and getting work ready resources. Our Including You website contains a wealth of information on the products and services we offer to people who need extra help with communications
Issue 8: Fundamental principles and rights at work	6.3.10	See, Doing business ethically, page 15	Our statement of business practice guides employees, suppliers and anyone working on behalf of BT on how to behave in different situations. This includes our commitment to International Labour Organisation (ILO) standards
LABOUR PRACTICES: Issue 1: Employment and employment relationships	6.4.3	See, Creating an inclusive workplace, page 23	We don’t discriminate against anyone on any grounds. And we want to make sure our people don’t either

Core subject	Clause	Information in this report	Information in <u>Annual Report and Form 20-F 2016</u> and elsewhere
Issue 2: Conditions of work and social protection	6.4.4	See, Rewarding performance, page 23	We compare pay and benefits for our people with companies of similar size and complexity to ensure our remuneration is competitive
Issue 3: Social dialogue	6.4.5	See, Listening to our people, page 22	Twice a year, more than 72,000 people provide feedback on working for BT through our employee engagement survey. It helps us develop a focused people strategy and support action planning at a local level
Issue 4: Health and safety at work	6.4.6	See, Promoting wellbeing, page 25	Our first priority is to keep people safe by managing risks in the workplace. But we also want to help them stay active, energised and well
Issue 5: Human development and training in the workplace	6.4.7	See, Developing talent, page 22	We invest in our future success by continually developing the skills and knowledge of our people
THE ENVIRONMENT: Issue 1: Prevention of pollution	6.5.3	See, Managing environmental impacts, page 49	Our environmental management systems cover our worldwide operations
Issue 2: Sustainable resource use	6.5.4	See, Managing environmental impacts, page 49	Our environmental management systems cover our worldwide operations
Issue 3: Climate change mitigation and adaption	6.5.5	See, Reducing our end-to-end emissions, page 46	We have been measuring and reporting on our efforts to reduce our carbon emissions since 1992. In 2013 we set an ambition to help customers reduce their carbon emissions by at least three times the end-to-end carbon impact of our business by 2020
Issue 4: Protection of the environment, biodiversity and restoration of natural habitats	6.5.6	See, Our priorities, pages 9-11 and Biodiversity, page 49	We are not a major landowner. We have procedures in place to reduce the impact of our operations in the environment
FAIR OPERATING PRACTICES: Issue 1: Anti-corruption	6.6.3	See, Doing business ethically, page 15	We have specific policies covering anti-corruption and bribery, gifts and hospitality, and charitable donations and sponsorships. These cover our people around the world
Issue 2: Responsible political involvement	6.6.4	See, Collaborating with others, page 42	We aim to be transparent about our public policy activities; current public policy issues can be found on our website
Issue 3: Fair competition	6.6.5	See, Doing business ethically, page 15	We compete vigorously but fairly, being honest, respectful and trustworthy in all our dealings. Our statement of business practice guides employees, suppliers and anyone working on behalf of BT on how to behave in different situations
Issue 4: Promoting social responsibility in the value chain	6.6.6	See, Sourcing responsibly, page 16	BT has procurement standards on environment, climate change and labour rights, for example. For more information see how we engage with our suppliers or our procurement website

Core subject	Clause	Information in Delivering our purpose – update on our progress 2015/16	Information in Annual Report and Form 20-F 2016 and elsewhere
Issue 5: Respect for property rights	6.6.7	BT is not a significant land owner, either in the UK or its international markets	
CONSUMER ISSUES: Issue 1: Fair marketing, factual and unbiased information and fair contractual practices	6.7.3		Our web pages include our Codes of Practice, covering our customer, sales and marketing activities
Issue 2: Protecting consumers' health and safety	6.7.4	See, Customers' use of our products, page 48	Apart from some cables we don't manufacture our own products, so we work closely with our suppliers to ensure that the products and services we provide are to the highest standards. Our Product Stewardship Standard details the standards that we apply
Issue 3: Sustainable consumption	6.7.5	See, Waste and recycling, page 49	As part of our commitment to the principles of the circular economy, we're exploring ways to use recycled materials and ensure materials are recyclable when a product is no longer needed. Our consumer products are labelled to provide customers with information on energy use and disposal
Issue 4: Consumer service, support, and complaint and dispute resolution	6.7.6	See, Putting customers first, page 10	Getting the customer experience right, and improving the quality of our customer relationships, is at the heart of our strategy for growth. The different methods to contact us are summarised on our Contact BT page
Issue 5: Consumer data protection and privacy	6.7.7	See, Protecting customers' privacy, page 17	As a communications provider, we process vast amounts of customers' personal data. To maintain trust, it's important that we keep that data private and are clear how we use it. Our Privacy Centre explains simply and openly why we collect customer data and what we do with it
Issue 6: Access to essential services	6.7.8	We recognise the importance of internet and telephone services and try to avoid disconnecting customers. We offer flexible payment options to help people budget for their bills and work with customers having temporary payment difficulties to agree repayment plans. See, Supporting online access for all, page 36	BT Basic is our low-cost telephone service. Our Codes of Practice describe our procedures for requesting payment and the help customers can expect if they have problems paying
Issue 7: Education and awareness	6.7.9		We use many channels to engage with our customers on sustainability-related issues, from the labelling on our products through to our marketing communications and our Purposeful business report. Increasingly we are using social media channels such as YouTube and Facebook to engage with a wider audience
COMMUNITY INVOLVEMENT AND DEVELOPMENT: Issue 1: Community involvement	6.8.3	See, Supporting our communities, pages 27-33	We engage with all our stakeholders throughout the year. Throughout our report we offer readers the opportunity to comment and engage with us

Core subject	Clause	Information in Delivering our purpose – update on our progress 2015/16	Information in Annual Report and Form 20-F 2016 and elsewhere
Issue 2: Education and culture	6.8.4	See, Building skills, page 28 and Supporting good causes, pages 29–31	We are helping people across the UK develop the skills, knowledge and confidence they need to use the internet. Our people are supporting the communities that we live and work in through our volunteering initiatives
Issue 3: Employment creation and skills development	6.8.5	See, Developing talent, page 22 and Building skills, page 28	We are an equal opportunities employer. We have longstanding apprentice and graduate entry programmes and provide skills for work training for young people to help prepare them for their working lives. Through our digital skills programme we are helping people gain the digital skills and confidence to create possibilities for everyone
Issue 4: Technology development and access	6.8.6	See, Connecting the world, pages 37–38	Improved literacy, better job prospects and higher incomes are some of the benefits our services bring people around the world
Issue 5: Wealth and income creation	6.8.7	We've created a methodology to measure the social value we bring. It assesses the potential impact – positive and negative – of different types of products or services. This includes impacts on wellbeing, education, financial prospects and savings. See, Delivering social benefits, page 35	BT actively supports the communities in which it operates. Our purchasing stimulates economic and social development. Our Social Study 2015 – the Economic Impact of BT looks at our Gross Value Added across the UK. Our community activities are targeted at areas of most need
Issue 6: Health	6.8.8	See, Promoting wellbeing, page 25 and sourcing responsibly, page 16	Protecting health and safety is a priority for BT. Not only for our people but our customers, contractors and suppliers
Issue 7: Social investment	6.8.9	See, Supporting good causes, pages 29–32	We have wide ranging partnerships with organisations (for example charities) who are best equipped to address social inequalities. We support charities by sharing our skills, supporting fundraising and providing technology

CDSB Framework

for reporting environmental information & natural capital

We are signatories to the Climate Disclosure Standards Board (CDSB) Statement on fiduciary duty and climate change disclosure. We are committed to producing and using climate change-related information in mainstream corporate reporting as a matter of fiduciary duty.

We report on our material environmental impacts and performance on an annual basis in our Annual Report and Form 20-F and our Delivering our Purpose report.

These two reports aim to serve different stakeholder groups, and we aim not to duplicate information unnecessarily. So we have provided this index showing how and where our environmental and natural capital reporting meets the principles and requirements of the CDSB Framework.

		Comments	BT Annual Report 2016 and Form 20-F	Information in this report
P1	Relevance and materiality	To understand which issues are most important to our stakeholders and our business, we gather information from around 100 sources. These include input from all stakeholder groups, multi-stakeholder organisations, the media and social media. We have identified carbon emissions reductions as significant environmental issues to our business and relevant to our investors	See, Our shareholders, page 39. Our investor relations programme is aimed at keeping existing investors informed and attracting new ones	See, Our priorities pages 9-11, which covers material environmental information to a wider range of stakeholders
P2	Faithful representation	We aim to provide a balanced view of our progress and challenges. We ask LRQA to review and comment on our report using AccountAbility's AA1000 Assurance Standard 2008 (AA1000AS)	Our Annual Report and Form 20-F performance is aligned to our Delivering our Purpose report	See, LRQA Assurance Statement, in the Download Centre
P2	Connected with other information	We recognise that our use of natural resources present both cost and risk to our business as well as opportunities to develop solutions to help others minimise their use of natural resources	See, Natural resources, page 44, Our performance as a sustainable and responsible business, page 45, Our risks, page 46 and Protecting the environment, pages 43-44	See, Delivering environmental benefits, page 40
P4	Consistent and comparable	We have been reporting on our environmental performance for over 25 years. Annually we provide 5 year trend information on progress and disclose the methodology that we use	See, Protecting the environment, pages 43-45	See, Delivering environmental benefits, pages 40-49, Our reporting methodology, and BT's environmental data in the Download Centre
P5	Clear and understandable	We produce all our external communications in line with BT Brand guidelines and work hard to ensure that our reporting is concise and clear to understand	BT is committed to communicating openly with each of its stakeholder audiences in the manner most appropriate to their requirements. Investors can contact us at ir@bt.com	We welcome feedback on our report, how we are delivering social and environmental benefits, and our performance as a responsible and sustainable business. Please complete the online feedback form or contact us via our Twitter account @BTGroup
P6	Verifiable	We ask LRQA to review and comment on our natural capital reporting using AccountAbility's AA1000 Assurance Standard 2008 (AA1000AS)		See, LRQA Assurance Statement in the Download Centre
P7	Forward looking	We have set ourselves long-term, ambitious goals to deliver improved performance	See, Our 2020 ambitions, page 45	See, Overview, page 5
REQ-01	Policy, strategy and targets	Our environmental policy sets out our aims to reduce the environmental impact of our operations, supply chain and customer solutions, and to help our customers reduce their own environmental impact	See, Our 2020 ambitions, page 45	See, Our 2020 ambition, page 40 and, Our targets in the Download Centre

Comments			BT Annual Report 2016 and Form 20-F	Information in this report
REQ-02	Risks and opportunities	We aim to mitigate the risks of Climate Change – our 2020 ambition sets out our approach to minimising our GHG emissions and helping our customers to reduce their emissions. We recognise climate change as an increasingly likely trigger to some of our main business risks, and are adapting our business accordingly	See, our risks, page 46. In particular we recognise flooding and extreme weather events within the Security and Resilience risk, and climate risks within the Supply Chain risk	See, See, Our 2020 ambition, page 40, Managing risk, page 10 and Adapting to Climate Change, page 49
REQ-03	Governance	BT's purpose is to use the power of communications to make a better world. Our Board Committee for Responsible and Sustainable Business focuses on BT's programmes to support this purpose. The Chief Executive of BT Group has ultimate responsibility for the company's environmental policy and performance	See, Committee for Responsible and Sustainable Business, page 124	See, Our governance, page 12
REQ-04	Sources of environmental impact	Our annual materiality review has determined that greenhouse gas emissions and energy use are of most relevance to investors and shareholders	We report our energy use, GHG emissions, waste generated and water use. See, Protecting the environment, pages 43–45	We report on a wider range, relevant to a wider stakeholder group, of environmental impacts. See, Delivering environmental benefits, pages 40–49 and our environmental trend data
REQ-05	Performance and comparative analysis	Annually we provide 5 year trend information on progress against our targets and disclose the methodology that we use	See, Protecting the environment, pages 43–45	See, Delivering environmental benefits section, page 40–49 and Our reporting methodology, in the Download Centre
REQ-06	Outlook	<p>Climate change is one of the greatest global challenges of our time. We can make a big difference by cutting our own carbon footprint and enabling others to cut theirs.</p> <p>We are mitigating our impacts by reducing our carbon emissions and our products and services help our customers cut theirs too.</p> <p>Our ambition is to help our customers reduce carbon emissions by at least three times the end-to-end carbon impact of our business by 2020.</p> <p>We are managing other risks and impacts such as waste. We promote a circular economy and aim to turn our waste into resources wherever possible.</p> <p>The resilience of our IT systems, networks, data centres and exchanges is essential to our commercial success. We consider anything that threatens that resilience – including climate risks like flooding and extreme temperatures – among the biggest risks to our business. We are adapting to climate change by conducting preventative measures and regular checks of back-up equipment at our exchange sites. This helps us avoid and reduce the length of service outages from extreme weather</p>	See, Protecting the environment, pages 43–45 and our risks, page 46	See, Delivering environmental benefits, page 40, Helping customers cut carbon, page 43, Adapting to climate change, page 48 and Managing environmental impacts, page 49
REQ-07	Organisational boundary	Our reports cover all BT's wholly-owned operations and subsidiaries worldwide, unless stated otherwise		Our update covers all BT's wholly-owned operations and subsidiaries worldwide, with the exception of EE which was acquired on 29 January 2016. The information and data in this report doesn't include EE, unless we say otherwise

Comments			BT Annual Report 2016 and Form 20-F	Information in this report
REQ-08	Reporting policies		Our Annual Report complies with UK regulations and comprises part of the Annual Report of Form 20-F for the US Security and Exchange Commission to meet US regulations. This is the second year that we've applied an Integrated Reporting (IR) approach to how we structure and present our Annual Report	Our report adheres to Accountability's AA1000AS principles of Inclusivity, Materiality and Responsiveness
REQ-09	Reporting period	We report annually on performance to year ending 31 March		
REQ-10	Restatements	Every year, we replace any estimates in the previous year's environmental reporting with actual figures	Our Annual Report performance is aligned to our Delivering our Purpose report	See, Our reporting methodology, in the Download Centre
REQ-11	Conformance	We have provided this table to demonstrate our conformance	See, Protecting the environment, page 43	See, Our reporting methodology, in the Download Centre
REQ-12	Assurance	Our reported information is audited to provide assurance to stakeholders	See, Auditors' report, page 156	Our report is externally assured by LRQA against the AccountAbility AA1000 Assurance Standard 2008. in the Download Centre