

Appendices

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The UN Sustainable Development Goals

The UN SDGs 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 (shown here) and 169 targets.



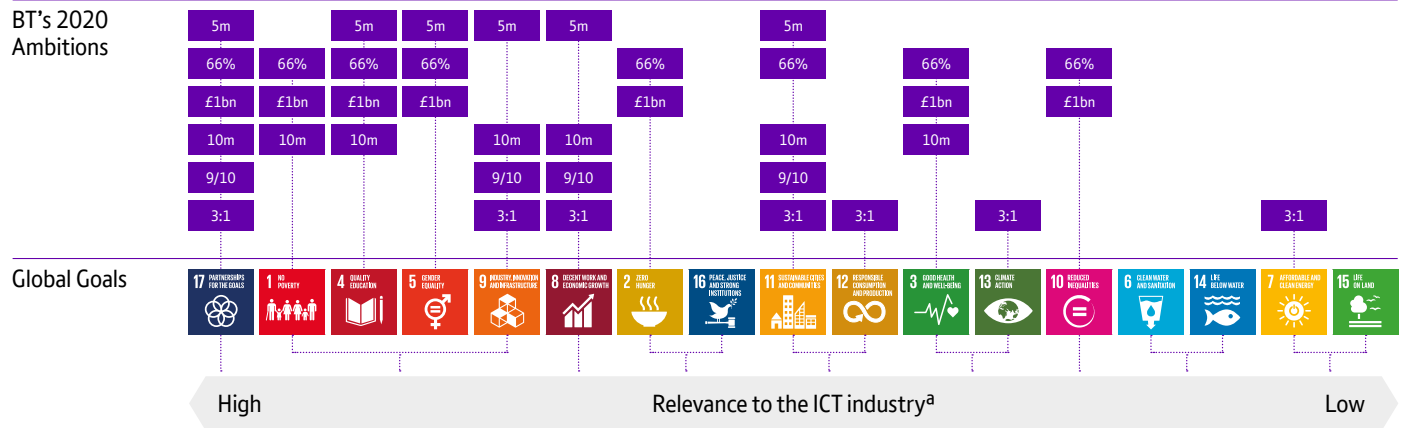
[Read more at www.globalgoals.org](http://www.globalgoals.org)

Achieving these Global Goals is essential for the good of society, the environment and sustainable economic growth. If the world can't address global challenges effectively, national economies could slow down. This could have a knock-on effect on our business.

We've explored the potential impacts on our business, if the Global Goals are not achieved by 2030 in the markets where we operate. We've also looked at where the ICT industry can make the most difference, using guidance from the World Summit on the Information Society, and we've mapped our own ambitions against the Global Goals to see where we're already aligned (see graphic).



BT's 2020 Ambitions



^a Using guidance from the World Summit on the Information Society

Global Reporting Initiative (GRI)

The GRI sustainability reporting framework is widely used by organisations around the world.










Our Delivering our Purpose report 2016/17 has been prepared in accordance with the GRI standards: Core option.



GRI content index: this material references GRI 102: General disclosures (2016).

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








DISCLOSURE NUMBER	SDG	DISCLOSURE TITLE	WHERE REPORTED
102-1		Name of the organisation	BT Group plc
102-2		Activities, brands, products, and services	DoP – Our business, page 5 Group businesses
102-3		Location of the headquarters	London (UK)
102-4		Location of operations	BT Group plc is the listed holding company for the BT group of companies which provides communications services solutions, serving customers in the UK and in 180 countries
102-5		Ownership and legal form	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 Group businesses
102-6		Markets served	DoP – Our business, page 5 Group businesses
102-7		Scale of the organisation	AR – How we're organised, page 8 DoP – Our business, page 5
102-8		Information on employees and other workers	AR – Our people, page 26 DoP – BT people data in our download centre
102-9		Supply chain	AR – Our suppliers, page 37 DoP – Sourcing responsibly, page 16
102-10		Significant changes to the organisation and our supply chain	Our sustainability reporting includes EE data for the year 2016/17 (acquired in Jan 2016)
102-11		Precautionary principle or approach	Our environmental policy sets out our approach
102-12		External initiatives	DoP – Respecting Human Rights, page 14 and Collaborating with others, page 39
102-13		Membership of associations	DoP – Collaborating with others, page 39
102-14		Statement from senior decision-maker	DoP – Introduction from our chairman and chief executive, page 1
102-15		Key impacts, risks, and opportunities	AR – Our principal risks, page 45 DoP – Our priorities, page 7

Key: AR – BT Group plc [Annual Report](#) and Form 20-F 2017
DoP – BT's [Delivering our Purpose Report](#)






























DISCLOSURE NUMBER	SDG	DISCLOSURE TITLE	WHERE REPORTED
102-16		Values, principles, standards and norms of behaviour	AR – Ethical culture and controls, page 45 DoP – Doing business ethically, page 15 Our Purpose and our ethics code
102-17		Mechanisms for advice and concerns about ethics	DoP – Doing business ethically, page 15
102-18		Governance structure	Our Board DoP – Governing our purpose, page 11
102-19		Delegating authority	DoP – Governing our purpose, page 11
102-20		Executive-level responsibility for economic, environmental and social topics	BT's chief sustainability officer, reports to the group corporate affairs director who reports to our chief executive
102-21		Consulting stakeholders on economic, environmental and social topics	AR – Stakeholders, page 34 DoP – What matters to our stakeholders, page 8
102-22		Composition of the highest governance body and its committees	Our Board AR – Governance, page 103 DoP – Governing our purpose, page 11
102-23		Chair of the highest governance body	The roles of the chairman and chief executive are separate and our chairman is non-executive but not independent
102-24		Nomination and selecting the highest governance body	AR – Nominating and Governance Committee chairman's report, page 116
102-25		Conflicts of interest	AR – Board of Directors, page 106
102-26		Role of highest governance body in setting purpose, values, and strategy	AR – Board of Directors, page 106 DoP – Governing our purpose, page 11
102-27		Collective knowledge of highest governance body	AR – Board of Directors, page 106
102-28		Evaluating the highest governance body's performance	AR – Board of Directors, page 106
102-29		Identifying and managing economic, environmental and social impacts	AR – Oversight and governance, page 24 DoP – Governing our purpose, page 11
102-30		Effectiveness of risk management processes	AR – Our approach to risk management, page 44 DoP – Governing our purpose, page 11
102-31		Review of economic, environmental and social impacts	DoP – Governing our purpose, page 11
102-32		Highest governance body's role in sustainability reporting	The Disclosure Committee reviews and assesses our reporting on delivering our purpose as part of its oversight of all our annual corporate reporting. DoP – Governing our purpose, page 11

DISCLOSURE NUMBER	SDG	DISCLOSURE TITLE	WHERE REPORTED
102-33		Communicating critical concerns	DoP – Governing our purpose, page 11
102-34		Nature and number of critical concerns	DoP – Governing our purpose, page 11
102-35		Remuneration policies	AR – Report on Directors' remuneration, page 121
102-36		Process for determining remuneration	AR – Report on Directors' remuneration, page 121
102-37		Stakeholders' involvement in remuneration	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
102-40		List of stakeholder groups	DoP – What matters to our stakeholders, page 8
102-41		Collective bargaining agreements	DoP – Listening to our people, page 18
102-42		Identifying and selecting stakeholders	DoP – What matters to our stakeholders, page 8
102-43		Approach to stakeholder engagement	DoP – What matters to our stakeholders, page 8
102-44		Key topics and concerns raised	DoP – What matters to our stakeholders, page 8
102-45		Entities included in consolidated financial statements	The group financial statements consolidate the financial statements of BT Group plc and its subsidiaries, and include its share of the results of associates and joint ventures using the equity method of accounting
102-46		Defining the report content and topic boundaries	DoP – Our reporting methodology, page 48 and Our priorities, page 7
102-47		List of material topics	DoP – Our priorities, page 7
102-48		Restatements of information	DoP – Our reporting methodology, page 48
102-49		Changes to reporting	DoP – Our reporting methodology, page 48
102-50		Reporting period	DoP – Our reporting methodology, page 48
102-51		Date of most recent report	DoP – Our reporting methodology, page 48
102-52		Reporting cycle	DoP – Our reporting methodology, page 48
102-53		Contact point for questions regarding the report	DoP – Our reporting methodology, page 48
102-54		Claims of reporting in accordance with the GRI standards	Delivering our purpose – update on our progress 2016/17 has been prepared in accordance with the GRI standards: Core option
102-55		GRI Context Index	DoP – Appendices, page 53
102-56		External assurance	Our Delivering our purpose – update on our progress 2016/17 is assured to AA1000 (AS) 2008 by LRQA. DoP – LRQA independent assurance statement, page 50

This material references GRI 201 to GRI 204 (2016) economic standards. The following standards have not been identified as material: 202, 204 and 206.

STANDARD/ DISCLOSURE NUMBER	SDG	STANDARD/DISCLOSURE TITLE	MANAGEMENT APPROACH/ WHERE REPORTED
201		Economic performance GRI 103: Management approach	The BT Group plc Annual Report and Form 20-F 2017 covers our economic performance and governance
201-1		Direct economic value generated and distributed	AR – Financial statements, page 153 DoP – Our business, page 5 and Investing in society, page 23
201-2		Financial implications and other risks and opportunities due to climate change	AR – Security and resilience risk, page 52 DoP – Key risks, page 9 and Helping customers cut carbon emissions, page 41
201-3		Defined benefit plan obligations and other retirement plans	AR – Pensions, page 49 DoP – Rewarding and recognising our people, page 19
201-4		Financial assistance received from government	AR – Government grants relating to Broadband Delivery UK (BDUK) contracts, page 199
203		Indirect economic impacts GRI 103: Management approach	We undertake independent studies to better understand our indirect impacts, in particular from our network investments
203-1		Infrastructure investments and services supported	AR – Investing in the UK's digital future, page 10 DoP – Investing in society, page 24, Extending connectivity, page 27 and Connecting the world, page 28
203-2		Significant indirect economic impacts	Our research papers on this subject, can be found here and Valuing Digital Inclusion DoP – Our reporting methodology, page 48
205		Anti-corruption GRI 103: Management approach	We do not tolerate bribery or corruption in any form Anti-corruption and bribery policy AR – Ethical culture and controls, page 45 DoP – Doing business ethically, page 15
205-1		Operations assessed for risks related to corruption	DoP – Doing business ethically, page 15
205-2		Communication and training about anti-corruption policies and procedures	DoP – Doing business ethically, page 15
205-3		Confirmed incidents of corruption and actions taken	AR – Our investigation into our Italian business, page 6, and DoP, page 14 DoP – Doing business ethically, page 15

This material references GRI 301 to GRI 308 (2016) environmental standards. The following standards have not been identified as material: 301, 304.











STANDARD/ DISCLOSURE NUMBER	SDG	STANDARD/ DISCLOSURE TITLE	MANAGEMENT APPROACH/ WHERE REPORTED
302		Energy GRI 103: Management approach	Our EMS provides a framework for the management and reporting of environmental performance through our governance systems. BT TSO is responsible for managing the group's energy consumption. We don't monitor or measure energy use outside our operational boundaries, however we encourage our suppliers to seek energy efficiencies in their operations and the products they supply us. We report on our KPIs and improvement targets. DoP – Wider governance, page 11
302-1	   	Energy consumption within the organization	AR – Reducing our energy use, page 42 DoP Our operations, page 43, and Environmental data in our download centre
302-2	   	Energy consumption outside of the organization	Not applicable – Our boundary for energy use is within the organisation. We encourage our suppliers to undertake energy efficiency measures, and support them through our Better Future Supplier Forum and have developed a online assessment tool that they can use in their own supply chains. DoP – Promoting environmental sustainability, page 17
302-3	   	Energy intensity	Not applicable – We don't report energy intensity, however we're investigating an appropriate normalising metric to help drive our energy reduction activities
302-4	   	Reduction of energy consumption	AR – Reducing our energy use, page 42 DoP – Reducing our end-to-end emissions, page 43, and Environmental data in our download centre
302-5	   	Reductions in energy requirements of products and services	DoP – Reducing our end-to-end emissions, page 43
303		Water GRI 103: Management approach	Our EMS provides a framework for the management and reporting of environmental performance through our governance systems. We report on water use for our UK operations only, outside the UK most of our operational sites are fully managed by landlords. We report on our improvement targets.
303-1		Water withdrawal by source	AR – Reducing water usage, page 42 DoP – Water use, page 45 and Environmental data in our download centre
303-2		Water sources significantly affected by withdrawal of water	Not applicable – No water sources are significantly affected by the withdrawal of water used for cooling purposes
303-3	  	Water recycled and reused	Not applicable – we neither recycle nor reuse significant volumes of water at present
305	   	Emissions GRI 103: Management approach	GHG emissions are one of the most material environmental issues to BT and our wider value chain. Our EMS provides a framework for the management and reporting of environmental performance through our governance systems. We report on our KPIs and improvement targets. DoP – Governing our purpose, page 11














STANDARD/
DISCLOSURE
NUMBER

SDG








STANDARD/ DISCLOSURE TITLE




MANAGEMENT APPROACH/ WHERE REPORTED





305-1		Direct (Scope 1) GHG emissions	AR – Reducing our own carbon footprint, page 41 DoP – Reducing our end-to-end emissions, page 43 and Environmental data in our download centre
305-2		Energy indirect (Scope 2) GHG emissions	AR – Reducing our own carbon footprint, page 41 DoP – Reducing our end-to-end emissions, page 43 and Environmental data in our download centre
305-3		Other indirect (Scope 3) GHG emissions	DoP – Reducing our end-to-end emissions, page 43 and Environmental data in our download centre
305-4		GHG emissions intensity	AR – Reducing our own carbon footprint, page 41 DoP – Reducing our end-to-end emissions, page 43 and Environmental data in our download centre
305-5		Reduction of GHG emissions	AR – Reducing our own carbon footprint, page 41 DoP – Reducing our end-to-end emissions, page 43 and Environmental data in our download centre
305-6		Emissions of ozone-depleting substances (ODS)	The GHG emissions related to ODS are included in our carbon emissions model. DoP – Environmental data in our download centre
305-7		Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	Not applicable – These emissions have not been identified as being of material significance to our stakeholders
306		Effluents and waste GRI 103: Management Approach	Our EMS provides a framework for the management and reporting of environmental performance through our governance systems. We don't monitor or measure waste outside our operational boundaries, however we encourage our suppliers to seek efficiencies in their operations and the products they supply us. We report on our improvement targets. DoP – Wider governance, page 11
306-1		Water discharge by quality and destination	Not applicable – Less than 2% of BT properties in the UK require and have a licence or consent for these activities and measuring discharge volumes is not a requirement
306-2		Waste by type and disposal method	AR – Managing waste products, page 42 DoP – Waste and recycling, page 44 and Environmental data in our download centre

STANDARD/ DISCLOSURE NUMBER	SDG	STANDARD/ DISCLOSURE TITLE	MANAGEMENT APPROACH/ WHERE REPORTED
306-3	   	Significant spills	DoP – Managing environmental risks, page 45
306-4	 	Transport of hazardous waste	Less than 1% of waste produced in the UK is classified as hazardous. We hold waste carriers licences in the UK to transport waste. DoP – Waste and recycling, page 44 and Environmental data in our download centre
306-5	 	Water bodies affected by water discharges and/or run-off	Not applicable – All waste water is discharged through municipal waste water systems
307	   	Environmental compliance GRI 103: Management approach	We aim to comply with laws and regulations in all the countries we operate in. Our EMS provides a framework for the management and reporting of environmental performance through our governance systems. DoP – Wider governance, page 11
307-1		Non-compliance with environmental laws and regulations	DoP – Our purposeful business targets in our download centre
308		Supplier environmental assessment GRI 103: Management approach	Our EMS provides a framework for the management and reporting of environmental performance, including our supply chain, through our governance systems. Our Better Future Supplier Forum , a collaborative initiative that helps us and our suppliers design products and services that take sustainability into account. We report on our KPIs and improvement targets. DoP – Wider governance, page 11
308-1		New suppliers that were screened using environmental criteria	DoP – Promoting environmental sustainability, page 17
308-2		Negative environmental impacts in the supply chain and actions taken	DoP – Promoting environmental sustainability, page 17

This material references GRI 401 to GRI 419 (2016) social standards. The following standards have not been identified as material: 402, 410, 411, 413, 415 and 417.

STANDARD/ DISCLOSURE NUMBER	SDG	STANDARD/ DISCLOSURE TITLE	MANAGEMENT APPROACH/ WHERE REPORTED
401		Employment GRI 103: Management approach	Our ethics code , defines BT's business principles that apply worldwide, to all employees, agents, contractors and others when representing BT. Our policies
401-1		New employee hires and employee turnover	DoP – BT people data in our download centre
401-2		Benefits provided to full-time employees that are not provided to temporary or part-time employees	DoP – Rewarding and recognising our people, page 19
401-3		Parental leave	DoP – Promoting gender balance, page 20
403		Occupational health and safety GRI 103: Management approach	Promoting the health, safety and wellbeing of our people is the right thing to do. It's also good for our business. AR – Our principal risks, page 45 DoP – Wider governance, page 11
403-1		Workers representation in formal joint management-worker health and safety committees	DoP – Promoting wellbeing, page 21
403-2		Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	DoP – Promoting wellbeing, page 21 and BT people data in our download centre
403-3		Workers with high incidence or high risk of diseases related to their occupation	DoP – Promoting wellbeing, page 21
403-4		Health and safety topics covered in formal agreements with trade unions	DoP – Promoting wellbeing, page 21
404		Training and education GRI 103: Management approach	Everyone at BT gets the tools and training they need to do their job, build their skills and gain experience
404-1		Average hours of training per year per employee	DoP – Developing our people, page 18
404-2		Programmes for upgrading employee skills and transition assistance programmes	AR – Investing for growth, page 27 DoP – Developing our people, page 18
404-3		Percentage of employees receiving regular performance and career development reviews	DoP – Developing our people, page 18

STANDARD/ DISCLOSURE NUMBER	SDG	STANDARD/ DISCLOSURE TITLE	MANAGEMENT APPROACH/ WHERE REPORTED
405		Diversity and equal opportunity GRI 103: Management approach	Our Global D&I SteerCo leads our strategy on diversity and inclusion, and normally reports progress to our Operating Committee every three months. DoP – Creating an inclusive workplace, page 20
405-1		Diversity of governance bodies and employees	AR – Board membership, page 116 DoP – Promoting gender balance, page 20 and BT people data in our download centre
405-2		Ratio of basic salary and remuneration of women to men	DoP – Promoting gender balance, page 19
406		Non-discrimination GRI 103: Management approach	We respect the dignity, liberty and equality of everyone we work with. We use the UN Guiding Principles on Business and Human Rights to inform our approach. Our ethics code DoP – Creating an inclusive workplace, page 20
406-1		Incidents of discrimination and corrective actions taken	DoP – BT people data in our download centre
407		Freedom of association and collective bargaining GRI 103: Management approach	We only work with people who choose to work freely. We respect their rights to equal opportunities, freedom of association and collective bargaining. Our ethics code Our statement on Modern Slavery
407-1		Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	DoP – Sourcing responsibly, page 16
408		Child labour GRI 103: Management approach	We've a long-standing policy that we don't use or accept forced, bonded or involuntary prison labour or child labour. Our ethics code Our statement on Modern Slavery
408-1		Operations and suppliers at significant risk for incidents of child labour	DoP – Respecting human rights, page 15 and Sourcing responsibly, page 16
409		Forced or compulsory labour GRI 103: Management approach	We've a long-standing policy that we don't use or accept forced, bonded or involuntary prison labour or child labour Our ethics code Our statement on Modern Slavery
409-1		Operations and suppliers at significant risk for incidents of forced or compulsory labour	DoP – Respecting human rights, page 15 and Sourcing responsibly, page 16
412		Human rights assessment GRI 103: Management approach	Our human rights steering group oversees our work and normally meets quarterly. AR – Human rights, page 37 DoP – Governing our purpose, page 11 and Respecting human rights, page 15
412-1		Operations that have been subject to human rights reviews or impact assessments	DoP – Assessing supplier performance and risk, page 16
412-2		Employee training on human rights policies or procedures	DoP – Doing the right thing, page 15

STANDARD/ DISCLOSURE NUMBER	SDG	STANDARD/ DISCLOSURE TITLE	MANAGEMENT APPROACH/ WHERE REPORTED
412-3		Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	DoP – Sourcing responsibly, page 16
414		Supplier social assessment GRI 103: Management approach	We're steered by the UN Guiding Principles on Business and Human Rights (UN Guiding Principles) Sourcing with human dignity
414-1		New suppliers that were screened using social criteria	AR – Ethical standards in our supply chain, page 37 DoP – Sourcing responsibly, page 16
414-2		Negative social impacts in the supply chain and actions taken	DoP – Sourcing responsibly, page 16 and Checking for conflict minerals, page 17
416		Customer health and safety GRI 103: Management approach	We're implementing the next stage of a Board-endorsed health, safety and wellbeing strategy. As part of this, each year every line of business produces its own health and safety plan with its own targets and programmes
416-1		Assessment of the health and safety impacts of product and service categories	AR – Health and safety, page 47 DoP – Key risks, page 9
416-2		Incidents of non-compliance concerning the health and safety impacts of products and services	No significant incidents in the year. DoP – Our purposeful business targets in our download centre
418		Customer privacy GRI 103: Management Approach	We integrate privacy issues into our training and product design, comply with privacy regulations, and put safeguards in place when managing requests from law enforcement agencies. Our report on Privacy and free expression in UK communications sets out our approach
418-1		Substantiated complaints concerning breaches of customer privacy and losses of customer data	AR – Processing our customers' data, page 46 DoP – Complying with privacy regulations, page 22
419		Socioeconomic compliance GRI 103: Management Approach	Our Compliance Programme Panel is chaired by the Group general counsel and company secretary. DoP – Governing our purpose, page 11
419-1		Non-compliance with laws and regulations in the social and economic area	DoP – Doing business ethically, page 15 and Our purposeful business targets in our download centre

United Nations Global Compact

We have been a signatory to the Global Compact since 2000 and we reaffirm our support of 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 PROGRESS 2016/17	INFORMATION IN BT GROUP PLC ANNUAL REPORT AND FORM 20-F 2017 AND ELSEWHERE
Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	We are committed to running our business responsibly. We strive to maintain high ethical principles and to respect human rights. It also means doing our best to encourage high standards in our supply chain and business. Respecting human rights, page 15, summarises our approach to human rights	Our commitment, as an original signatory to the United Nations Global Compact principles, is to embrace, support and respect human rights and ensure we're not complicit in human rights abuses. Human rights, page 37
Principle 2: Businesses should make sure that they are not complicit in human rights abuses	Respecting human rights, page 15, 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 ethics code . We have to maintain a difficult balance of respecting rights to privacy and free expression, and supporting police and other government agencies in protecting the nation's security. In December 2015, we published our 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. Listening to our people, page 18	Our ethics code , 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 have a long-standing policy that we don't use or accept forced, bonded or involuntary prison labour or child labour. Nor do we demand deposits or hold onto our workers' identity papers, or work with businesses that do. We only work with people who choose to work freely. Listening to our people, page 18 Sourcing responsibly, page 15	Our modern slavery statement , published in 2016, sets out our stance on modern slavery and human trafficking. We've also helped to set up the UK's Modern Slavery Helpline and Resource Centre
Principle 5: Businesses should uphold the effective abolition of child labour	We have a long-standing policy that we don't use or accept forced, bonded or involuntary prison labour or child labour. We only work with people who choose to work freely. Sourcing responsibly, page 16	Our Sourcing with Human Dignity standard introduced in 2001, specifies the minimum standards we expect of our suppliers
Principle 6: Business should uphold the elimination of discrimination in respect of employment and occupation	We respect the right to equal opportunity. Our Global D&I SteerCo leads our strategy on diversity and inclusion. Creating an inclusive workplace, page 20	We're 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 help us comply with environmental legislation and continually improve our performance in these areas. Managing environmental impacts, page 44	We've produced our Designing Our Tomorrow checklist as a free to use resource to help ICT product designers and others to incorporate thinking on minimising environmental impact at each stage of a product's life-cycle into its design
Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility	Managing environmental impacts, page 44, covers our approach to environmental issues, including our environmental policy and our work to reduce the impacts of our products	Our Better Future 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	The UN's Sustainable Development Goals (SDGs) highlight the need to create a low-carbon economy and to ensure sustainable consumption of our natural capital. Our ambition is to help customers reduce their carbon footprint by at least three times our own end-to-end emissions. We can help them achieve this through our products and services. Helping customers cut carbon emissions, page 41. We work with suppliers to reduce their environmental impacts. Our online design checklist helps to ensure our product managers and suppliers consider environmental criteria in the design and specification of new products and packaging. Waste and recycling, page 44	We're 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	BT has zero tolerance of bribery. Doing business ethically, page 14	Our anti-corruption and bribery policy

ISO 26000

“Guidance on social responsibility” provides a guidance framework to help businesses and organisations operate in a socially responsible way.

This is the seventh year that we’ve cross-referenced our report to the core subjects and issues of the guidance.

SUBJECT	CLAUSE	INFORMATION IN DELIVERING OUR PURPOSE – UPDATE ON PROGRESS 2016/17	OUR RESPONSE
Organisational governance	6.2	Governing our purpose, page 11	Our Board 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	Respecting human rights, page 15	We’re committed to respecting human rights and we use the UN Guiding Principles on Business and Human Rights to inform our approach. We believe our products and services can have a positive impact on society and empower people to exercise their rights and freedoms. We’re also addressing human rights risks in our business and our value chain
Issue 2: Human rights risk situations	6.3.4	Sourcing responsibly, page 16, Respecting human rights, page 15 and key risks, page 9	Like all businesses, we’re 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
Issue 3: Avoidance of complicity	6.3.5	Doing business ethically, page 15	Our ethics code 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	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 and suppliers have access to a confidential hotline to report any concerns
Issue 5: Discrimination and vulnerable groups	6.3.7	Behaving ethically and respecting human rights, page 15, Creating an inclusive workplace, page 20 and Sourcing responsibly, page 16	We communicate our ethics code to all employees, agents, contractors and others working on our behalf. We’re an inclusive employer and treat all our people fairly and actively encourage and celebrate difference
Issue 6: Civil and political rights	6.3.8	Behaving ethically and respecting human rights, 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	Behaving ethically and respecting human rights, page 15, Building a culture of tech literacy, page 30, Helping people get online and Connecting the world, page 28	Our Tech Literacy programme is about empowering young people to navigate the new digital world. We want them to grow up to become active creators of technology, not passive consumers. Our Including You web site 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	Behaving ethically and respecting human rights, page 15	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. We respect their rights to equal opportunities, freedom of association and collective bargaining. We don’t use child labour and we demand the same of our suppliers and their suppliers. Our ethics code guides employees, suppliers and anyone working on behalf of BT on how to behave in different situations
Labour practices: Issue 1: Employment and employment relationships	6.4.3	Creating an inclusive workplace, page 20	We don’t discriminate against anyone on any grounds. And we want to make sure our people don’t either
Issue 2: Conditions of work and social protection	6.4.4	Rewarding and recognising our people, page 19	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	Listening to our people, page 18	Twice a year, more than 85,000 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

SUBJECT	CLAUSE	INFORMATION IN DELIVERING OUR PURPOSE – UPDATE ON PROGRESS 2016/17	OUR RESPONSE
Issue 4: Health and safety at work	6.4.6	Promoting wellbeing, page 21	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	Developing talent, page 18	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	Managing environmental impacts, page 44	Our environmental management systems cover our worldwide operations
Issue 2: Sustainable resource use	6.5.4	Managing environmental impacts, page 44	Our environmental management systems cover our worldwide operations
Issue 3: Climate change mitigation and adaptation	6.5.5	Reducing our end-to-end emissions, page 43	We've 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	Our priorities, page 7 and Biodiversity, page 45	We're not a major landowner. We have procedures in place to reduce the impact of our operations on the environment. We aim to promote biodiversity by using our sites to provide natural habitats such as wildflower meadows that support flora, insects and wildlife
Fair operating practices: Issue 1: Anti-corruption	6.6.3	Doing business ethically, page 15	We've 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	Collaborating with others, page 39	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	Doing business ethically, page 15	We compete vigorously but fairly, being honest, respectful and trustworthy in all our dealings. Our ethics code 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	Sourcing responsibly, page 16	Our procurement standards include: environment, climate change and labour rights
Issue 5: Respect for property rights	6.6.7		We're not a significant land owner, either in the UK or our 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	Addressing health concerns about radio frequency emissions, page 9 and Managing environmental risks, page 45	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. The BT Design Checklist helps us build sustainable design principles into our products, services and processes. Our Product Stewardship Standard details the standards that we apply
Issue 3: Sustainable consumption	6.7.5	Waste and recycling, page 44	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	Putting customers first, page 22	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	Protecting privacy, page 22	We're open about our privacy policies, helping our customers understand in simple terms how their personal information is used. Our privacy centre gives a detailed breakdown by service to show customers how we collect and use their personal information
Issue 6: Access to essential services	6.7.8	Helping people get online, page 29	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 sustainability report. Increasingly we're 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	Supporting our communities, page 32	We engage with our stakeholders throughout the year.

SUBJECT	CLAUSE	INFORMATION IN DELIVERING OUR PURPOSE – UPDATE ON PROGRESS 2016/17	OUR RESPONSE
Issue 2: Education and culture	6.8.4	Helping people get online, page 29 and Supporting our communities, page 32	We're 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	Developing talent, page 18 and Building a culture of tech literacy, page 31	We're an equal opportunities employer. We've 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're helping people gain the digital skills and confidence to create possibilities for everyone
Issue 4: Technology development and access	6.8.6	Connecting the world, page 29	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	Investing in society, page 23	We actively support the communities in which we operate. Our purchasing stimulates economic and social development. Our Social Study 2016 – the Economic Impact of BT & EE in the UK looks at our Gross Value Add across the UK
Issue 6: Health	6.8.8	Promoting wellbeing, page 21 and Sourcing responsibly, page 16	Protecting health and safety is a priority for us. Not only for our people but our customers, contractors and suppliers
Issue 7: Social investment	6.8.9	Supporting our communities, page 31	We've 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're signatories to the Climate Disclosure Standards Board (CDSB) Statement on fiduciary duty and climate change disclosure. We're 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 reports aim to serve different stakeholder groups – the Annual Report, investors, analysts and shareholders – the Delivering our Purpose Report a wider audience, including customers, employees and society.

We aim not to duplicate information unnecessarily so have provided this index showing how and where our environmental and natural capital reporting meets the principles and requirements of the CDSB Framework for reporting environmental information and natural capital.

		COMMENTS	BT GROUP PLC ANNUAL REPORT AND FORM 20-F 2017	BT DELIVERING OUR PURPOSE REPORT 2016/17
P1	Relevance and materiality	Every year, we draw from a range of information sources to understand what matters most to our stakeholders and our business. We review feedback from external stakeholders and look at emerging trends and global challenges like the UN Sustainable Development Goals to understand the potential opportunities and principal risks for our business. Alongside these external inputs, we gather insights from our strategy team and other key functions within the business. All of this feeds into our materiality process to identify the most important issues. Carbon emissions reductions remain a relevant environmental issue to our business and important to our investors	Oversight and governance, page 25. We have an extensive investor relations programme aimed at keeping existing investors informed and attracting new ones	Our priorities, page 7 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	LRQA independent assurance statement, page 50
P3	Connected with other information	We recognise that our use of natural resources presents both cost and risk to our business, as well as opportunities to develop solutions to help others minimise their use of natural resources	Our business model, page 22, Protecting the environment, page 41 and Our principal risks, page 45	Delivering environmental benefits, page 37
P4	Consistent and comparable	We have been reporting on our environmental performance for over 25 years. Annually we provide five-year trend information on progress and disclose the methodology that we use	Protecting the environment, page 41	Delivering environmental benefits, page 37, Our reporting methodology, page 48 and Environmental data in our download centre
P5	Clear and understandable	We work hard to ensure that our reporting is fair, balanced and understandable	We're committed to communicating openly with each of our 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 AA1000AS (2008)		LRQA independent assurance statement, page 50
P7	Forward-looking	We've set ourselves long term, ambitious goals to deliver improved performance	Our 2020 ambition, page 21	Our 2020 ambition, page 38 and Our targets in the download centre
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	Our 2020 ambition, page 21	Our 2020 ambition, page 38 and Our targets in the download centre

		COMMENTS	BT GROUP PLC ANNUAL REPORT AND FORM 20-F 2017	BT DELIVERING OUR PURPOSE REPORT 2016/17
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	Our principal risks, page 45. Climate change feeds into two of these risks, with extreme weather posing a risk to the resilience of our network and the security of our supply chain	Our 2020 ambition, page 38, Key risks, page 9 and Keeping people connected, page 28
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	Committee for Responsible and Sustainable Business, page 119	Governing our purpose, page 11
REQ-04	Sources of environmental impact	Our annual materiality review has determined that the management of Greenhouse Gas emissions and energy use are the most important environmental issues to investors and shareholders	We report our energy use, GHG emissions, waste generated and water use. Protecting the environment, page 41	We report on a range of environmental impacts – relevant to a wider stakeholder group. Delivering environmental benefits, page 37 and Environmental data in our download centre
REQ-05	Performance and comparative analysis	Annually we provide five-year trend information on progress against our targets and disclose the methodology that we use	Protecting the environment, page 41	Delivering environmental benefits section, page 37 Our reporting methodology, page 48 and Environmental data in our download centre
REQ-06	Outlook	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. We're mitigating our impacts by reducing our carbon emissions and our products and services help our customers cut theirs too. 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. We're managing other risks and impacts such as waste. We promote a circular economy and aim to turn our waste into resources wherever possible. We consider anything that threatens that resilience – including climate risks like flooding and extreme temperatures – among the biggest risks to our business. To minimise the impact on our customers and our business, we are taking steps to strengthen our resilience and adapt to climate change	Protecting the environment, page 41 and Our principal risks, page 45	Delivering environmental benefits, page 37, Helping customers cut carbon emissions, page 41, Keeping people connected, page 28 and Managing environmental impacts, page 44
REQ-07	Organisational boundary	Our reports cover all BT's wholly-owned operations and subsidiaries worldwide, unless stated otherwise		
REQ-08	Reporting policies		BT's 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 third year that we've applied an Integrated Reporting (IR) approach to how we structure and present our Annual Report	Our report adheres to AA1000AS (2008) 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 reporting methodology, page 48
REQ-11	Conformance	We have provided this table to demonstrate our conformance		
REQ-12	Assurance	Our reported information is audited to provide assurance to stakeholders	Independent auditors' report, page 154	Our report is externally assured by LRQA against AA1000AS (2008), page 50