

Delivering our purpose — 2016/17 summary



Our purpose is to use the power of communications to make a better world.

We're doing this by connecting society and helping people thrive in a digital economy, by supporting our communities and by delivering environmental benefits. We've set bold ambitions for 2020 in each of these areas and we're making progress towards them (see graphic).

To achieve our purpose, we must do business responsibly. That means behaving ethically, respecting people and the environment, and investing in society. This is essential to build trust, protect our reputation and deliver sustainable, profitable revenue growth.

By delivering our purpose, we're creating shared value for society, the environment, our people and our business.

Our 2020 ambitions

Connecting society

Give nine out of ten people in the UK access to high-speed broadband

9/10

Premises reached by March 2017:

8.8/10

Help 10 million people overcome social disadvantage through the benefits our products and services can bring

10m

Helped since 2014/15:

3.9m

Help 5 million children receive better teaching in computing and tech skills

5m

Helped since 2014/15 school year:

1.1m

Supporting our communities

Use our skills and technology to generate more than £1bn for good causes

£1bn

Generated since 2012/13:

£422m

Inspire 66% (two-thirds) of our people to volunteer their time and skills

66%

Volunteered in 2016/17:

31%

Delivering environmental benefits

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

3:1

Achieved in 2016/17:

1.8:1

What's new this year

EE

With EE now part of the BT family, we've fully included them in our reporting for the first time.



Modern Slavery

We've partnered with Unseen to launch the UK's Modern Slavery Helpline and Resource Centre.

Cyber Security

We're contributing to the UK's first National College of Cyber Security, and have set up the Tommy Flowers Institute to explore further innovations in this field.

Tech Literacy

We continue to train teachers in tech literacy: more than a million children now have the skills they'll need for the future.

Land Rover BAR

We're providing our technology and expertise to help Land Rover BAR, as they aim to become the first ever British team to win the America's Cup.

Regulatory and compliance matters

The behaviours and practices we found in our Italian business, as well as Ofcom's findings about Openreach's use of the Deemed Consent process a number of years ago, have no place in BT. We take these issues extremely seriously and have reviewed all aspects of our governance, putting in place new measures and controls to prevent them from happening again.

See our [Annual Report](#) for our full response

We take our responsibilities seriously – to our people, our customers, our suppliers and society. This is how we deliver our purpose and maintain trust.

We want to have a positive impact on our stakeholders and add value to society. To do this, we must do business responsibly.

We respect human rights. We expect our suppliers to do the same.

We hire great people and help them build their careers in an inclusive and healthy environment at BT. We work hard to improve our customers' experience, protect their privacy and help them navigate the web safely.

And we make a strong economic contribution by creating jobs, paying tax and investing in society.

Being responsible

The principles outlined in our ethics code, The Way We Work, underpin our commitment to ethical behaviour and respecting human rights. Applying these principles helps us do business responsibly, as we extend our impact throughout our value chain.

Our suppliers

Sourcing responsibly
Being a responsible customer

Our people

Developing talent
Engaging our people
Creating an inclusive workplace
Promoting wellbeing

Our customers

Delivering great customer experience
Protecting privacy and data security
Staying safe online

Society

Investing in society
Contributing to the economy
Paying our taxes

2016/17 highlights

EcoVadis gold rating

Our gold rating from EcoVadis – achieved for the fifth year running – puts us in the top 2% of companies assessed on environment, labour practices, fair business practices and sustainable procurement. Customers use this rating to assess our sustainability credentials.

FTSE4Good

BT is included in the FTSE4Good Index, which measures the performance of companies demonstrating strong environmental, social and governance practices.

PwC Building Public Trust

We were shortlisted for the PwC Building Public Trust in Corporate Reporting Awards for our strategic and sustainability reporting in 2016. The awards celebrate outstanding reporting in private, public and charity sectors.

Training our people on ethics

99.3% of employees completed mandatory training on The Way We Work.

Working with suppliers

Our sustainability assessment tool for suppliers was named app of the year at the BusinessGreen Technology Awards.

Engaging our people

More than 86% of our people took part in our latest employee survey in January 2017, and we achieved a strong engagement score of 71%. The survey was redesigned this year to get more meaningful feedback from our people, through shorter questions more clearly linked to our strategy and values.

Promoting gender balance

Our new maternity handbook has been recognised as best practice by the Equality and Human Rights Commission.

Protecting privacy and staying safe online

We set up the Tommy Flowers Institute, named after the famous computing pioneer, for academics and businesses to explore innovations in cyber security together.

Being responsible – 2016/17 summary continued

BT partners with Unseen to tackle modern slavery



We believe technology can play a role in ending human trafficking and modern slavery. That's why we've partnered with Unseen to launch the UK's Modern Slavery Helpline and Resource Centre. We provide communication services, equipment and consultancy.

Unseen is a UK charity fighting to erase slavery in all forms. In October 2016, we launched the helpline at a multi-stakeholder event at the BT Tower where we debated important questions about the role of technology in tackling modern slavery.

We produced a short [video](#) on how to spot the signs of modern day slavery situations. Using the hashtag #Freetheunseen, it reached 2.8 million people through social media. More than 2,600 of our employees reviewed the video to help them promote the helpline to others. We're determined to continue raising awareness of modern slavery.

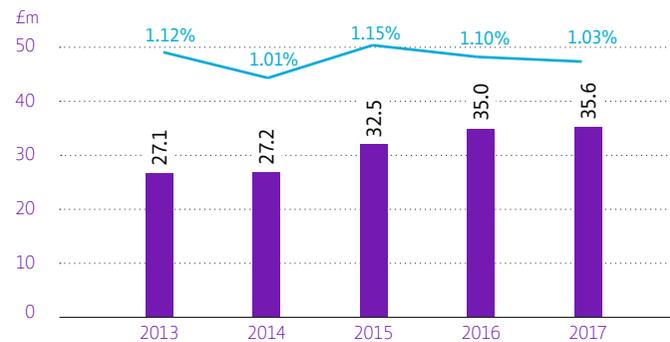


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Investment in society

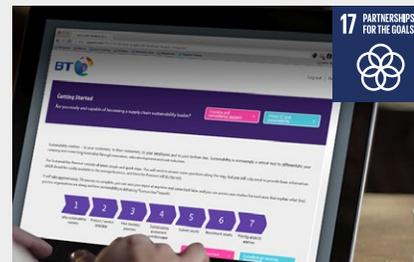
Total investment in society

Year ended 31 March



— Percentage of previous year's adjusted profit before taxation
■ Investment – time, cash and in-kind support

Working with Huawei to improve sustainability in our supply chain



Huawei is the world's largest telecoms equipment manufacturer. They state that their products and services help more than a third of the planet communicate. Managing sustainability is important to Huawei: it helps the company manage risks, cut costs and grow its business.

Huawei is a member of our Better Future Supplier Forum and used our assessment tool to spot ways to strengthen sustainability in its operations and supply chain.

The company formed an action team that worked with us to identify sustainable product development projects specifically for BT. Huawei has also put sustainability high on the agenda of an annual conference for its own suppliers, attended by more than 170 companies.

Making a pitch for change



Who better to solve some of society's biggest challenges than our talented people? We asked our employees to pitch their ideas on the ways we can use BT's capabilities to tackle social issues.

Nearly 6,000 employees across the company showed an interest, and almost 200 ideas were submitted. The finalists had an opportunity to pitch their ideas to a panel of senior managers, including Board members, at three events in England, India and Wales, based on the Dragons' Den TV series. Ideas ranged from an app to let EE customers donate unused mobile data allowances to charity, and a digital noticeboard to help the homeless find a bed for the night, to a "School in a bus" that uses football training as a catalyst for empowering adolescent girls in the slums of India.

This was a great way to get ideas and get people engaged. One participant said: "I feel really inspired about working at BT. It has given me the motivation to try and do different things, coming up with new innovative ideas that really make a difference."

Supporting the code breakers



Bletchley Park has a history: it's where Alan Turing cracked the Enigma code, credited with helping the Allies win the Second World War.

The site will now become home to a new generation of code breakers. The UK's first National College of Cyber Security, opening in 2018, will be a free boarding college for gifted students aged 16 to 19. It will house some of the most advanced cyber test and demonstration facilities in the world.