# We connect for good

**BT Group plc**
Digital Impact and Sustainability Report 2021

# The connections we make are helping solve the world's biggest challenges, such as cyber security, the global pandemic and climate change.

Our purpose is as simple as it is ambitious: we connect for good. There are no limits to what people can do when they connect. And as technology changes our world, connections are becoming even more important to everyday life.

**Look out for these throughout the report:**

- Reference to another document or another page in the report
- Reference to further reading online

Within this report references to the Annual Report, Appendix and BT policies and standards are hyperlinked. These can be found at the following locations:

- Annual Report: bt.com/annualreport
- Appendix: bt.com/sustainabilityreport
- Policies and standards: bt.com/ourpolicies

- Visit our online annual review and see how we're connecting for good.

**bt.com/annualreview**

## We connect for good by:

9 ..... Building better digital lives

19 ..... Championing responsible tech & human rights

24 ..... Tackling climate change and environmental challenges

34 ..... Being transparent and accountable

# Message from our Chairman and Chief Executive

Over the past year, we've witnessed major upheaval as the world battled to keep the Covid-19 pandemic at bay. Working and learning from home fast became the new normal for millions of people across the UK, and virtual contact became a lifeline for vulnerable people facing prolonged isolation.

Never before has connectivity been so integral to so much of our lives. Our BT colleagues have worked tirelessly to keep people connected throughout the Covid-19 crisis and many have been given key worker status. We want to take this opportunity to thank each and every one of them for their hard work and dedication.

Colleagues across the business will help us deliver our ambition to be the world's most trusted connector of people, devices and machines by 2030, and we've set a clear strategy to get there.

Our commitment to digital impact and sustainability (DI&S) is intrinsic to this strategy and to BT's purpose: we connect for good. During the last year, we've underlined the strategic role of DI&S in delivering future growth by linking some of our annual bonus to goals on digital skills and carbon reduction.

**Jan du Plessis**
Chairman

Despite the challenges posed by the pandemic, BT did not stand still. We've continued to invest in high-speed networks to connect the UK to the future – and to equip more people with the skills they need to get the most out of the digital world.

Our Skills for Tomorrow programme offers free training and resources for anyone who wants to improve their digital skills. Children, teachers, families, vulnerable people, jobseekers and small business owners are among the more than 10m people we've reached since 2014/15.

Increased demand for digital skills during lockdowns – and our push to offer even wider support with initiatives like Top Tips on Tech – has enabled us to meet our 10m goal five years early. However, we're not stopping there; we aim to increase our reach to 25m people, with help to improve their digital skills by the end of March 2026.

We're determined to help the country build back better after Covid-19, and we're driving progress on the road to net zero for our business and for the UK. Our operations are now powered by 100% renewable electricity.

**Philip Jansen**
Chief Executive

We're championing calls to put in place the infrastructure needed to make all-electric fleets a reality. This year, we launched the UK Electric Fleets Coalition with The Climate Group, and 29 organisations have joined so far with a combined fleet of half a million vehicles, helping drive the EV fleet debate in the UK. Carbon-reducing solutions contributed towards around 25% of our revenues this year and we're fostering further innovation to help customers cut their carbon footprint. This shows continued evidence of BT leading from the front on climate.

As we look to the future, we remain fully committed to supporting the UN's Global Compact and Sustainable Development Goals. Our new responsible tech principles will guide us to consistently develop, use, buy and sell technology in a way that benefits people and minimises harms as we connect for good.

With a legacy of innovation, a leading stance on sustainability and an influential position for good, BT is leading the way to a bright, sustainable future.

**Leena Nair**
Chair of the Digital Impact & Sustainability Committee

It's great to see BT's new strategy and purpose putting digital impact and sustainability at the heart of everything the business does, and linking annual bonuses to progress in this area. During what has been a difficult year for so many, it's been encouraging to see BT step up to the challenge to help our colleagues, our communities, the country and the economy. Meeting its goal to reach 10m people with digital skills support five years early is a testament to the company's genuine commitment in this space.

## Our strategy

# We connect for good.

Our 2030 ambition is to be the world's most trusted connector of people, devices and machines. We'll get there by building the strongest foundations, creating standout customer experiences and leading the way to a bright, sustainable future.

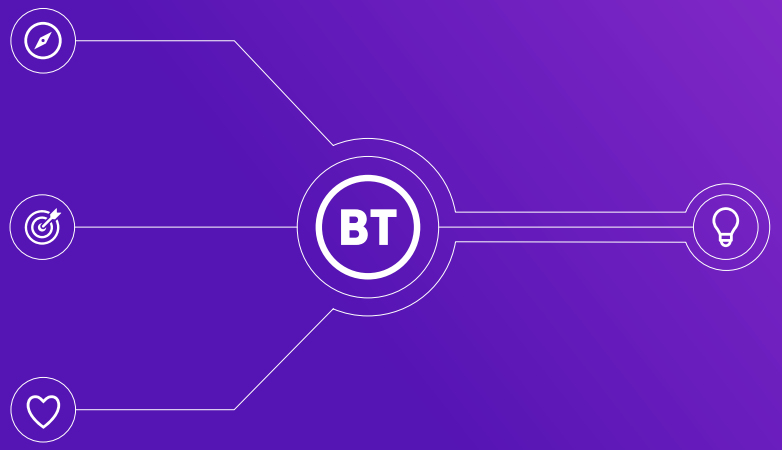
That's how we'll grow and deliver value for all our stakeholders.

**Our strategic framework**

**Purpose**
Why we exist
**We connect for good**

**2030 Ambition**
Who we must become
**To be the world's most trusted connector of people, devices and machines**

**Values**
What will guide us
**Personal, simple, brilliant**




**Strategy**
How we'll grow value for all our stakeholders

1

## Build the strongest foundations

**Our ambition is only as strong as the foundations we're built on. That's why we'll continue to strengthen them by building:**

- **the best converged networks** – we're investing in fibre, 5G, edge and core, and extended access so our customers can do more
- **a simpler, more dynamic BT** – we'll simplify our processes and products, and modernise our technology to become more efficient so we're easier to deal with and work for
- **a culture where people can be their best** – we'll give colleagues the opportunity to learn and grow, offer clear career paths to attract and hang on to the best diverse talent, keep people safe and well, and make BT a brilliant place to work.

2

## Create standout customer experiences

**We'll relentlessly focus on creating standout customer experiences by connecting more people and moving from products to tailored solutions our customers can rely on.**

**We'll put our customers' needs first, act with transparency, and protect their security, data and preferences. And we'll strive to catch any issues before they impact customers to create a flawless experience.**

3

## Lead the way to a bright, sustainable future

**We want to be a trusted partner and build deeper connections with our stakeholders. We aim to be a responsible and sustainable business leader by bringing value to all of our stakeholders and delivering returns to our investors over the long term.**

We'll incubate tech-driven growth engines that support great outcomes for our customers, country and company now and in the future. And we'll be a visible leader in creating solutions to shared challenges. That's where our DI&S strategy comes in.

Being a responsible business underpins all three pillars of our strategic framework. We report progress on each pillar in our Annual Report, which includes an overview of DI&S, as well as in-depth content on other material topics such as network rollout and customer experience performance.

See our Annual Report 2021 for more on the progress of pillars 1 and 2.

**Andy Wales**
Director of Digital Impact & Sustainability

Leading the way to a bright, sustainable future is a key pillar of our Group strategy and why our digital impact and sustainability work plays such a crucial role for BT. We're taking a leadership position on climate change, the digital skills divide, and responsible tech and human rights – all while supporting future growth.

# Our progress

## 1 Build the strongest foundations

- Nearly 10% of our UK colleagues[1] declared they are from a Black, Asian or minority ethnic background.
- This year, we increased our focus on race equality, particularly around addressing issues of systemic racism and instances of prejudice across our business.
- We launched our Ethnicity Rapid Action Plan, and made significant progress in the areas where we could make the biggest immediate differences.
- We're proud to be Lifetime Visionary Partners of Race Equality Matters.

1 Includes colleagues who had not disclosed, or had responded 'prefer not to say' in respect of their ethnicity pursuant to our self-declaration campaign.

See our Annual Report 2021 for more details on diversity and inclusion.

## 2 Create standout customer experiences

- Our customer care teams receive specific training to support our 1.4m vulnerable customers.
- Our national network of Home Tech Experts are specially trained on a wide range of issues, including helping vulnerable customers and where access to technology is needed.
- We also offer a range of information and advice, for example through our Including You website which is specifically designed for those with additional needs.
- We also supported vulnerable customers throughout the pandemic (see page 7 of this report).

See our Including You website, our DI&S business briefing and our Annual Report 2021 for more details.

## 3 Lead the way to a bright, sustainable future

Our DI&S strategy (see next page) focuses on where we can make the biggest difference to a bright, sustainable future.

- Over 10m people reached, with help to improve their digital skills.

See page 9 for more on Building better digital lives.

- Strengthened human rights governance and due diligence processes.

See page 19 for more on Championing responsible tech & human rights.

- 57% reduction in carbon intensity since 2016/17.

See page 24 for more on Tackling climate change & environmental challenges.

## Delivering social and economic value

In 2020/21, we invested £18m of cash, time volunteered and other in-kind contributions in programmes designed to accelerate progress under our DI&S strategy. That's 0.63% of the previous year's adjusted profit before tax and we've invested an average of 0.89% over the last five years. This fell below our aim to invest 1% each year, primarily as a result of reduced levels of volunteering during the pandemic. We remain committed to the target.

The social value we deliver through our DI&S strategy complements the wider economic value our business creates. Our latest Economic Impact Report found that in 2019/20 we added £24bn in value to the UK economy and supported 300,000 jobs through direct employment, our spending with contractors and suppliers, and spending by our colleagues.

## Our DI&S strategy

| We're leading the way… | …to a bright, sustainable future for our stakeholders… | …and our business… | …while contributing to the UN's Global Goals… | …and the UK Government's ambitions |
|---|---|---|---|---|
| **Building better digital lives**<br><br>**Our ambition:**<br>Reach 25m people in the UK with help to improve their digital skills by end of March 2026 | – We've reached 10.1m people in the UK with help to improve their digital skills since 2014/15<br>– Our **Top Tips on Tech** campaign alone reached 5.7m this year, and as part of our Skills for Tomorrow programme, helped us reach our 10m target five years early<br>– We've now extended that target; we aim to reach 25m people by end of March 2026 | **Building digital skills helps us:**<br>– Grow by enabling more people to use and get more from our services<br>– Build and enhance our reputation with all stakeholders<br>– Develop the tech-savvy talent we need now and in the future<br>– Expand colleagues' horizons through volunteering | 4.3 & 4.4<br>5b<br>9.1 & 9c | The UK Government's Digital Strategy includes giving everyone access to the digital skills they need |
| **Championing responsible tech and human rights**<br><br>**Our ambition:**<br>Develop, use, buy and sell technology in a way that benefits people and minimises harm | – Our new responsible tech strategy and principles aim to ensure we meet our ambition every time<br>– We're tackling big issues like modern slavery, privacy and free expression through partnerships like Tech Against Trafficking and the Global Network Initiative<br>– We check for **human rights risks** in our supply chain, mapping suppliers right down to tier 4 for branded products | **Taking a responsible approach to tech helps us:**<br>– Support commercial growth and innovation by differentiating existing solutions<br>– Take a lead in future growth areas like connected homes, smart cities, healthcare tech and security<br>– Build trust and protect our reputation as a responsible business<br>– Reassure stakeholders that we're using tech to connect for good | 8.7<br>10.2<br>16.10 | The UK Government is committed to world-leading online safety measures that support innovation and a thriving digital economy |
| **Tackling climate change and environmental challenges**<br><br>**Our ambition:**<br>Adopt a sector-leading approach to climate action, with a target to become a net zero carbon emissions business by 2045[1] | – We're now using 100% renewable electricity worldwide[2]<br>– We've reduced the carbon intensity of our operations by **57%** and cut supplier emissions by 19% since 2016/17<br>– We aim to transition most of our **fleet to electric vehicles** by 2030 and drive wider action through advocacy and partnerships, like the UK Electric Fleets Coalition<br>– We're taking action to assess and mitigate climate risks to our operations | **Leading efforts to tackle climate change helps us:**<br>– Get ahead of demands for climate action from investors, customers and others<br>– Grow our business through existing and emerging carbon-reducing solutions<br>– Attract and retain people who want to work for a business that champions sustainability | 12.5 & 12.7<br>13a | The UK Government's target is to achieve net zero emissions by 2050 |

1 Scopes 1 and 2 plus supply chain greenhouse gases.
2 99.9% of the global electricity BT consumes is from renewable sources. The remaining 0.1% represents where markets don't allow due to non-availability of renewable electricity.

# Supporting the nation through Covid-19

The past year has underlined just how critical the UK's digital infrastructure is to national life. Between lockdowns and social distancing, we're all living more and more of our lives online. With over 30m customers , BT has had a big hand in helping people stay safe, connected, working and learning throughout.

## Keeping our colleagues safe

From network engineers to 999 operators and contact centre teams, thousands of our colleagues are designated essential workers. Over 50,000 key workers continued to work from BT buildings, shops or out in the field during the pandemic.

Our colleagues' safety is our first priority. We've put Covid-19 management measures in place to enable our operational, customer and field teams to keep working safely in line with UK Government guidelines and legislation. Colleagues can access Covid-19 guidance and support services through a wellbeing website that's regularly updated by our chief medical officer. Those who need to self-isolate stay on full pay.

At the start of the pandemic, we made a commitment to no job losses as a direct result of Covid-19 and placing no one on furlough. Shop-based BT and EE retail colleagues could not continue their normal roles in-store so we reassigned them to help keep customers connected.

## Supporting the national effort

We've supported the Government throughout the crisis. We sent around 43m SMS alerts from Gov.uk asking people to stay at home . We boosted connectivity for NHS Trusts around the country. And we helped get temporary Nightingale hospitals and vaccination centres up and running.

At the Government's request, we provided limited anonymised network data, such as general mobility patterns to support national public health efforts (see page 23). We also stepped in with funding to assist the National Emergencies Trust's huge and complex effort to distribute essential relief across the UK.

**Lord Dannatt**
Chairman, National Emergencies Trust

Since we launched the National Emergencies Trust Coronavirus Appeal, we've been astonished and inspired by the response. With the generous support, like that from our friends at BT, we are able to continue to ensure our most vulnerable communities are cared for and supported.

## Keeping people connected

Demand for our broadband and mobile services has surged. We've kept our networks running effectively throughout, monitoring performance around the clock. Our engineers are on standby if we need to increase capacity. And we work closely with over 700 critical suppliers to ensure we get what we need when we need it.

We've also upgraded network capacity for key NHS sites and enterprise customers, and expanded user support as companies made the shift to virtual working.

We've changed our charges and introduced free services to support people who are struggling to pay during the pandemic. We've lifted caps on home broadband plans so every customer has unlimited data and we've capped monthly call charges at £5 for landline-only customers. Connecting to the NHS Online and the NHS Covid-19 app don't count towards mobile data allowances. We've also provided over 3,000 NHS staff with free unlimited data on EE.

Our Life Lines project has enabled patients in intensive care units to see and speak to their loved ones through more than 65,000 virtual visits via video-enabled tablets in 180 NHS hospitals.

For more on how we're helping people stay safe and connected through the pandemic, see our website.

## Boosting online confidence

Lockdown has been particularly hard on young learners, older and vulnerable people, jobseekers and many small businesses. We're helping to improve their confidence through our Skills for Tomorrow programme.

We've taken our Barefoot lessons online to keep school kids learning at home and our Lockdown Learning support package offered connectivity for families, carers and children who need help to access the virtual classroom. We partnered with charities to offer free internet access and distribute 1,000 laptops to older people and vulnerable families. We ramped up support for jobseekers to help them stand out from the crowd. And our Small Business Support Scheme is helping small businesses boost their connectivity, cash flow and confidence.

See page 10 for more on Skills for Tomorrow and how we're building better digital lives.

# Our pandemic heroes recognised with MBEs

Everyone at BT has played a vital role in keeping people connected through the Covid-19 crisis. Eight colleagues were awarded MBEs in this year's Queen's Birthday Honours – for outstanding services to the NHS and telecommunications industry during the pandemic.

**Lucy Baker**
Enterprise service technology director

Arranged rapid delivery of 4G-enabled tablets for ICU patients at Guy's and St Thomas' Hospital in London as part of the national Life Lines project to keep isolated patients connected with their families.

**Pete Martin**
Openreach field-based co-ordinator

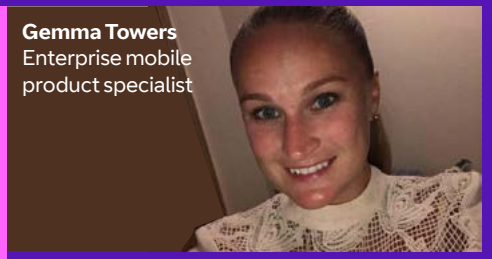
Built a full fibre network in the Lincolnshire village of Sudbrook where residents were struggling to work from home due to slow speeds.

**Karen Smith**
Enterprise emergency authority and government relationship manager

Worked tirelessly with the Department of Health, Home Office, National Police Chiefs Council and 130 emergency control rooms to help process up to 108,000 emergency 999 calls a day.

**Ian Hammond**
Enterprise senior manager, client services

Led a team that got Nightingale field hospitals around the UK connected in record time as Covid-19 cases surged in the spring.

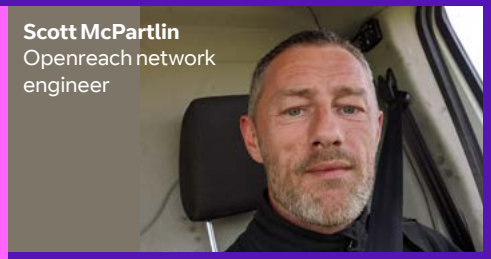


**Gemma Towers**
Enterprise mobile product specialist

Led delivery of over 1,000 app-loaded tablets to over 60% of UK intensive care units, letting patients see and speak to loved ones via video as part of the Life Lines project.

**John Hayday**
Security and business continuity director

Prepared BT's emergency response team to respond to the pandemic, liaising with the Government on how we can help keep vital services running.



**Scott McPartlin**
Openreach network engineer

Camped out on the remote Scottish island of Coll for three days to reconnect a vulnerable customer after a lightning strike.

**Reza Rahnama**
Director of core voice services

Was honoured for services to the telecoms industry, describing the achievement as the result of a huge amount of teamwork.