

# ESG. Addendum 2023

to the BT Group plc **Annual Report 2023** 



## Simon Lowth Chief Financial Officer

11

As a responsible business, we openly and regularly share the progress we are making on the essential ESG work captured in our BT Group Manifesto. Transparency is not only essential to building trust with our stakeholders, but also to growing the business, reducing risk and attracting and retaining talent.

Transparent reporting is a crucial factor in understanding business performance, and we're committed to leading the way by openly sharing our progress and challenges with all our stakeholders.

We continue to evolve our reporting to respond to the changing ESG reporting landscape and apply the same rigour we use to track all other aspects of our business performance. Oversight of progress on the Manifesto is integrated across our governance structures. We report on material ESG topics in our Annual Report; this Addendum offers more detailed data and disclosures to meet growing expectations for enhanced transparency on ESG topics.

# External recognition ESG ratings/rankings:

**CDP:** On the A List for climate for the seventh year running (top 2% of over 15,000 global reporters), and recognised as a Supplier Engagement Leader

**Clean 200:** 2nd in the UK and 27th globally for our leading solutions to support the transition to a clean energy future

**Corporate Knights Global 100:** Ranked 25th and confirmed as one of the 100 most sustainable companies in the world for the third consecutive year

**EcoVadis:** Advanced rating (top 6% of 570 companies assessed in the telecoms sector)

**Financial Times:** Confirmed listing as one of Europe's Climate Leaders 2023

FTSE4Good: Confirmed member of the Russell FTSE4Good index

ISS-ESG: Prime rating for ESG

**MSCI:** AA rating for ESG investment risk and opportunities

**Sustainalytics:** Low risk score of 17.1 for ESG (top quartile)

**Tortoise Responsibility100:** Leading telecoms company and 6th overall in the UK FTSE100 across a range of ESG indicators (ranked 1st on Climate)

Vigeo Eiris: Advanced rating (top quartile)

#### Awards:

**Connected Britain:** Digital Skills award winner 2022 for 'Skills for Tomorrow' digital skills programme

**campaignlive.co.uk:** TV creativity award winner 2022: Hope Utd/EE's 'Not Her Problem' campaign

World Skills UK EDI Hero Awards 2023: BT Group's Ethnic Diversity Network awarded Network of the Year 2023

**Equinix EMEA Social Governance award 2022:** BT Global for powering a more sustainable digital world leveraging Equinix technologies

**Digital 360:** Sustainability award winner 2022: BT Italia for developing an Industrial IoT platform and edge/cloud intelligence solution with Iveco Group, leading to improved sustainability performance

## Contents

Disclosing policies	
and performance	03
Identifying our ESG priorities	04
BT Group Manifesto –	
key targets and progress FY23	06
Our social and economic	
contribution	80
Environmental management	09
Environmental data	11
Human capital management	13
Colleague data	13
Pay gap – supplementary data	16
Diversity and inclusion initiatives	18
Sustainability Accounting	
Standards Board (SASB) index	19

Being transparent and accountable

Disclosing policies and performance

Identifying our **ESG** priorities

BT Group Manifesto - Our social and

Environmental targets and progress economic contribution management

Environmental data

Human capital management

Sustainability **Accounting Standards** Board (SASB) index

## Disclosing policies and performance

Information about our approach and performance on material ESG topics is available in this Addendum and in the reports, disclosures, indexes and policies listed.

#### Reports and disclosures

- BT Group plc Annual Report, including the latest Task Force on Climate-related Financial Disclosures (TCFD)
- Gender pay gap report
- Modern Slavery Statement (including conflict minerals reporting)
- Privacy and free expression disclosure
- Tax Strategy
- Read more here https://www.bt.com/about/ digital-impact-and-sustainability/ourapproach

#### Frameworks and standards

We report in line with a range of recognised external frameworks and standards:

- Global Reporting Initiative (GRI)
- Sustainability Accounting Standards Board (SASB)
- TCFD
- UN Global Compact
- UN Sustainable Development Goals

#### **Policies**

Being trusted: our code guides how we do things across BT Group. Accompanying policies and standards cover topics such as:

- anti-bribery and corruption
- carbon reduction plan
- charity approach
- gifts and hospitality
- health, safety and environment
- human rights
- plastics
- privacy
- vulnerability
- ☐ We also extend our expectations through policies and standards for suppliers.
- ☐ Definitions of how we measure and report on our BT Group Manifesto targets are shared in the our social and environmental reporting methodology bt.com/esgaddendum

#### Governance

Our Board-level Digital Impact & Sustainability Committee oversees our BT Group Manifesto and responsible business strategy, and tracks progress towards our related targets and ambitions.

BT Group chief executive Philip Jansen takes strategic decisions, exercising delegated authority from the Board, with assistance from the Executive Committee in development and execution of the strategy and risk management.

We integrate ESG into our reward approach. In FY23, key performance indicators related to our digital skills and carbon goals contribute 10% of the overall bonus for all eligible colleagues.

☐ See our Annual Report (AR) for more on governance, remuneration and a report from the Digital Impact & Sustainability Committee chair Sara Weller.

## Independent assurance

Our ESG reporting is independently assured to Account Ability's AA1000 ASv3 accounting standard. Read the independent assurance statement.

Being transparent and accountable

Disclosing policies and performance

Identifying our **ESG** priorities

BT Group Manifesto - Our social and

Environmental targets and progress economic contribution management

Environmental data

Human capital management

Sustainability Accounting Standards Board (SASB) index

## Identifying our ESG priorities

We prioritise the environmental, social and governance (ESG) topics that are most impactful to our business and our stakeholders - our material issues.

We conduct a materiality assessment every other year to inform our strategy and reporting.

The assessment, guided by Account Ability's AA1000ASv3 accounting standard, used quantitative and qualitative data from sources including social media listings and interviews with key internal stakeholders, as well as industry collaborations, reports, studies and surveys.

☐ Further details of the sources used and approach taken can be seen in our BT Group social and environment reporting methodology bt.com/esgaddendum

This year, we've undertaken analysis to understand the most material ESG topics, and for each we've considered:

- the internal impact on our business from a financial and risk perspective
- the importance of each topic to our key stakeholder groups - colleagues, customers, investors, suppliers, government and regulatory bodies.

Both aspects are captured in the Materiality Analysis 2023 chart on the following page.

Our analysis shows that our most material ESG topics remain broadly consistent with those reported in 2021.

When looking at movements between the 2021 and 2023 analysis, **Biodiversity** features in our materiality chart for the first time as an area of growing significance. Circular/sustainable **consumption** has also moved upwards in profile. as has **Energy**, which has been under the spotlight this year, given the war in Ukraine.

Our most significantly material issues remain as Customer experience. Data/cvber security. Network investment, and Economic impacts (which includes the effects of Covid, global conflict and financial recession) - these general topic areas are covered throughout our BT Group Annual Report 2023 (AR).

■ Specific colleague-related areas of 'Pay and benefits', and 'Health, safety and wellbeing' are reported in the AR page 35 and this Addendum pages 6 and 15.



## Other significant material topics

The other significantly material topics are linked to our BT Group Manifesto key pillars of Responsible, Inclusive and Sustainable:

#### Responsible:

**Human rights** (and Modern Slavery) - AR page 47 and our Modern Slavery Statement 2023

**Business ethics** and the responsible use of technology – AR page 37

Digital rights (includes privacy and free expression and view our Privacy policy at bt.com/privacy)

#### Inclusive:

Digital skills - AR pages 37-38, and Addendum page 6

Online safety - AR page 38

Diversity and inclusion - AR pages 33-34 and Addendum pages 7 and 14-18

#### Sustainable:

Climate change - AR pages 71-79, and Addendum pages 9-10-12

Energy (efficiency/renewables) – AR pages 38-39 and Addendum pages 6 and 9-12

Circular/sustainable consumption - AR page 39 and Addendum pages 6 and 10

We engage regularly with stakeholders to understand what's important to them and ESG has been high on the agenda again this year for investors and other stakeholders.

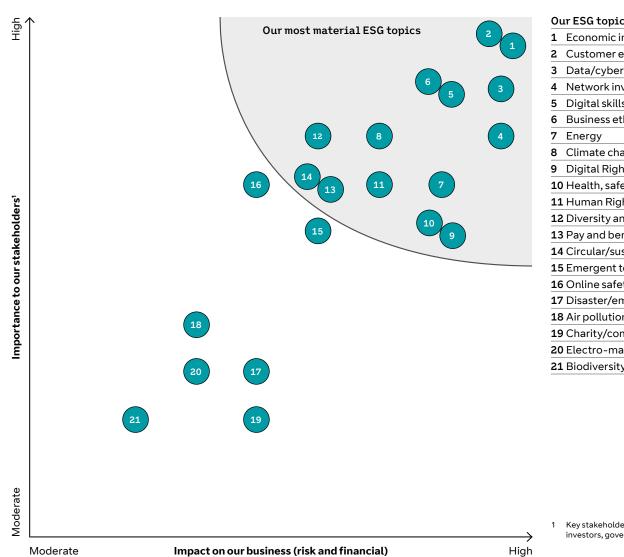
In November, our chief executive led an ESG business briefing with investors and financial analysts. He gave an update on the BT Group Manifesto – covering climate and environmental targets, performance and plans, and held a Q&A session.

Ongoing dialogue also enables us to share plans and progress, accelerates innovation and partnerships, and keeps us accountable.

Read more on how we connect with stakeholders in our AR pages 40-45

## Identifying our ESG priorities continued

## Materiality Analysis 2023



0 1	ur ESG topics Economic impacts
<u>-</u>	Customer experience
_	<u>'</u>
3	Data/cyber security
4	Network investment
5	Digital skills
6	Business ethics
7	Energy
8	Climate change
9	Digital Rights
10	Health, safety and wellbeing
11	Human Rights
12	Diversity and inclusion
13	Pay and benefits
14	Circular/sustainable consumption
15	Emergent tech
16	Online safety
17	Disaster/emergency response
18	Airpollution
19	Charity/community support
20	Electro-magentic field/health
21	Biodiversity

<sup>1</sup> Key stakeholder groups: customers, colleagues, suppliers, investors, governments and regulators.

## BT Group Manifesto – key targets and progress FY23

Theme	Ambition/target	Last year (FY22)	This year (FY23)	Status
Environmental	By 31 March 2031, to cut our carbon emissions intensity by 87%, compared to 2016/17 levels <sup>1</sup>	55% reduction achieved	56% reduction achieved	Ongoing
	To maintain the purchase of 100% of our electricity from renewable sources, where markets allow	100%²	100%²	Achieved
	By 31 March 2031, to reduce our supply chain carbon emissions by 42%, compared to 2016/17 levels	25% reduction achieved <sup>3</sup>	20% reduction achieved	Ongoing
	By 31 March 2031, to be a net zero carbon emissions business (GHG emissions Scopes 1 and 2)	179,554 tonnes of CO₂e⁴	180,285 tonnes of CO₂e	Ongoing
	By 31 March 2041, to be net zero for our supply chain and customer carbon emissions (GHG emissions Scope 3)	3,135,368 tonnes of CO₂e³	3,289,171 tonnes of CO₂e	Ongoing
	By 31 March 2030, we aim to help customers avoid 60m tonnes of $CO_2e$	779,400 tonnes of CO₂e	935,462 tonnes of CO₂e (1.7m tonnes since 2021)	Ongoing
	Build towards a circular BT Group by 31 March 2030 and circular tech and telco ecosystem by 31 March 2040	New goal	Progress reported on p10	Ongoing
Network	By 2026, 25 million homes and businesses will have access to strong, secure, ultrafast full fibre broadband	7.2m premises reached	10.3m premises reached	Ongoing
	By 2026, build full fibre to 6.2m homes and businesses in rural communities (part of the above target)	2m premises reached	3.1m premises reached	Ongoing
	By 2028, our EE 5G mobile network will reach 90% of the UK's geography	New goal	68%	Ongoing
Governance – Ethical business	We'll have no significant <sup>5</sup> fines or non-monetary sanctions, for non-compliance with laws and regulations concerning:  a) the environment  b) the provision and use of products and services  c) the social and economic area	No significant fines or sanctions	No significant fines or sanctions	Achieved
	We'll have no successful health and safety prosecutions or prohibition notices served against the company worldwide	No such prosecutions or prohibition notices	No such prosecutions or prohibition notices	Achieved
Social – Community	Digital skills: By 31 March 2026, to reach 25m people in the UK with help to improve their digital skills, since 2014/15	14.7m people reached since 2014/15	19.3m people reached since 2014/15	Ongoing

Contents	Being transparent	Disclosing policies	Identifying our	BT Group Manifesto -	Our social and	Environmental	Environmental data	Human capital	Sustainability
	and accountable	and performance	ESG priorities	targets and progress	economic contribution	n management		management	Accounting Standards
				FY23					Board (SASB) index

## BT Group Manifesto - key targets and progress FY23 continued

Theme	Ambition/target	Last year (FY22)	This year (FY23)	Status
Social – Colleague diversity	By 2030, BT Group (excluding Openreach) will have a workforce made up of: – Women <sup>6</sup> : 50%	34.9%	34.8%	Ongoing
	– Ethnic minority colleagues <sup>7</sup> : 25%	11.9%	13.4%	Ongoing
	– Disabled colleagues <sup>7</sup> : 17%	6.9%	8.2%	Ongoing
	By 2030, Openreach will have a workforce made up of: - Women: 13%	10.3%	10.3%	Ongoing
	– Ethnic minority colleagues <sup>7</sup> : 10%	9.4%	9.1%	Ongoing
	– Disabled colleagues <sup>7</sup> : 6%	6.0%	6.0%	Ongoing
	By 2030, BT Group (total) will have a workforce made up of: – Women <sup>6</sup> : 33%	25.7%	25.7%	Ongoing
	– Ethnic minority colleagues <sup>7</sup> : 17%	10.8%	11.5%	Ongoing
	– Disabled colleagues <sup>7</sup> : 12%	6.5%	7.2%	Ongoing
Social – Colleague (other)	Sickness absence rate: To maintain or cut the percentage of calendar days lost to sickness	3.69% calendar days lost	3.87% calendar days lost	Failed
	Employee engagement index: To maintain or improve our relationship with our colleagues	79%	73%	Failed
	Ethical perception: To maintain or improve our colleagues' perception of our ethical performance	92%	90%	Failed

Scope 1 and 2 greenhouse gases per unit of gross value added.

<sup>2 99.9%</sup> of the global electricity BT Group consumes is from renewable sources. The remaining 0.1% is where renewable electricity is not available in the market.

<sup>3</sup> Annual historic changes to Scope 3 supply chain emission calculations are a consequence mainly of a switch from a CPI-modelled approach to an 'actual' data approach.

<sup>4</sup> Historic years' numbers may be restated where more up-to-date information has become available e.g. replacing estimates with actual values.

<sup>5</sup> We report fines as significant if in excess of £50m.

<sup>6</sup> Global workforce.

<sup>7</sup> UK workforce only, due to data limitations, and based on declared data only.

## Our social and economic contribution

## This year, we've continued to deliver social and economic value by:

Supporting the UK economy	We support a total of 284,000 total full time equivalent jobs in the UK (directly and indirectly), 1 in every 90 employees working in the UK economy. There is a £24 billion total Gross Value Added (GVA) impact associated with BT Group activities, supporting £1 in every £80 of UK GVA. We spend over £9.3bn a year with UK-based suppliers.
	Read more about how we contribute to the UK economy in our Economic Impact Report, prepared by independent consultancy firm Hatch UK Economic Impact Report 2023
Paying our taxes	We're committed to managing our tax affairs responsibly, ethically and with integrity – including paying our fair share. We believe we must contribute fairly through the tax system to the economies and societies where we operate. We are proud to be a major contributor of taxes in the UK. In our financial year ended 31 March 2022, we paid £346m of employer's national insurance contributions for our UK employees, and £402m of business rates in respect of our extensive UK fixed and mobile networks and our significant retail footprint. The One Hundred Group 2022 Total Tax Contribution survey ranked us as the sixth highest contributor in the UK.
	For more on tax, refer to pages 168-171 of our Annual Report.
	$\blacksquare$ Read more about our approach in our Tax Strategy
Supporting our suppliers	We support the Government's Prompt Payment Code (PPC) in the UK. This year, we paid 95% of supplier invoices within 60 days, meeting the over-arching PPC target. However, we fell short of meeting the PPC smaller supplier target (95% of invoices paid in 30 days), outturning at 86%. We acknowledge that our performance in paying smaller suppliers is below expectations and have agreed an action plan with the Small Business Commissioner. This plan commits us to meeting the 95% target by the month of June 2023, through a combination of supplier classification corrections, payment terms management and invoice approval process improvements.
	We continue to partner with Minority Supplier Development UK to attract and engage ethnic minority suppliers.
	$\Box$ For more on how we engage with suppliers, see page 44 of our Annual Report.
Keeping the nation and our customers safe	Our networks, and the data that flows through them, are the core of our business, and protecting these assets is vital. On average, EE blocks over four million unwanted calls and spam messages a week. We employ some 3,000 cyber security professionals and have a 78-person strong team of 'ethical hackers' constantly probing our own security.
Respecting privacy	As a network and service provider, it's important to keep our customers' information safe so they can communicate freely. By safeguarding our customers' privacy and security online, we in turn support their right to free expression. Read more about our approach to privacy and free expression, including how we safeguard customers privacy, how we balance privacy with government investigatory powers, and how we address online harms and illegal content.
	□ bt.com/privacy-and-free-expression and bt.com/privacy
Partnering with charities	Through our UK charity partnership with Home-Start UK, we've provided support for digitally excluded families, through a mixture of devices and connectivity. We've donated 2,500 laptops for families to use, along with 2,500 Home Essentials broadband vouchers, funded for one year. We also donated 500 mobile devices (with £30 credit) to support families in temporary accommodation/no fixed address/where emergency support is required, and 500 tablets for local Home-Start branches to use themselves when supporting families. Through our Festive Give campaign, BT Group and colleagues donated over 6,000 gifts to Home-Start for families in need all over the UK.
	We work with our international charity partnership UNICEF, providing funding support for their Digital Learning Passport – a tech platform which enables online and offline access to quality educational resources for school children. Since its launch in 2020 the platform has helped over 2m users in 23 countries.
	Our colleagues also donated in support of UNICEF's 'Children's Emergency Fund' as part of the appeal to support families fleeing Ukraine. They raised over £42,000 and BT Group matched this contribution, for a combined donation of over £85,000.
	In response to the devastating earthquakes that took place in Turkey and Syria in February 2023, our colleagues donated over £10,000 to support UNICEF's work on the ground in both locations providing lifesaving aid to people affected. This was topped up by a further £10,000 from BT Group in matched funding.
	As part of our wider support for refugees arriving into the UK, we donated 2,000 mobile phones (with £50 credit) to the charity Migrant Help.
	This year, colleagues donated a total of over £1.5m to 1,156 charities they care about through Payroll Giving. They raised over £24,000 to support UNICEF via the Alp d'Huez challenge, as well as raising over £130,000 for Home-Start UK.
Volunteering time and expertise	This year, our colleagues volunteered over 61,000 hours to support our charity partners and communities – including sharing their skills and expertise through mentoring and digital skills training programmes.

## **Environmental management**

We've made bold carbon reduction and circular commitments as part of the BT Group Manifesto, but we also manage other environmental impacts and risks to ensure our progress is built on strong foundations

	lacksquare
Certifying environmental	Our environmental management system (EMS) in the UK, Ireland, Benelux, France, Germany, Italy and Spain are certified to ISO 14001:2015.
management systems	Our energy management systems in the UK and Germany are certified to ISO 50001.
	$\Box$ We publish UK certifications on our <b>website</b> .
Ensuring environmental compliance	We always aim to comply with relevant environmental legislation for our operations and products. This includes making sure our products and any electrical or electronic equipment sold to our UK business comply with regulations on waste electrical equipment, hazardous substances, chemicals and packaging. If any issues occur, we work with the relevant authorities to resolve them. We aim to meet our commitments under the Environmental Protection Act 1990 and the Clean Neighbourhoods and Environment Ac 2005. No major environmental breaches have occurred this year.
Managing environmental risk	We take a consistent approach to addressing risks, impacts and regulatory compliance through our <u>Health Safety and Environment Group Policy Statement</u> and EMS. Our Group Health Safety and Environment subcommittee, chaired by the Chief Security and Networks Officer, has responsibility for monitoring, evaluating and reporting on the effectiveness of the EMS, as well as being the focus for encouraging leadership, accountability and commitment in the effective management of risks in respect of Health, Safety and Environment across the group. The subcommittee reports to the <i>Executive Committee</i> every six months.
	We report risks and opportunities to our business across a range of future climate scenarios under the Task Force on Climate-related Financial Disclosures (TCFD) recommendations.
	$\Box$ Read more in the BT Group plc Annual Report on pages 71-79
Managing fuel storage risks	We have around 5,800 fuel storage tanks across the UK to fuel the diesel generators we use as back up during power cuts and to keep our customers connected in remote locations. We monitor, maintain and upgrade these tanks and pipework. If there's a spill, we use specialist contractors to make sure it's cleaned up carefully and we report any major leaks to the regulator. No incidents at BT Group sites have been subject to investigation or legal proceedings from any of the UK regulators for several years.
Mitigating and adapting to climate risk	Our strategic weather resilience programme aims to protect our UK estate by monitoring and mitigating risks from extreme weather events. We keep our teams informed of severe weather through daily risk communications, alert warnings and online tools.
(We report more fully on how we're responding to climate-	In addition, we strive to future-proof our UK estate from climate-related risks. This year, we:  - Completed a scenario-based assessment of potential flood impacts at 1,100 critical sites, and created a site profile for floods, based on historical and future risks and mitigations.
related risks and opportunities in	<ul> <li>High voltage sites flood protection planned and in delivery at 11 sites.</li> </ul>
our TCFD disclosure. Read more in the BT Group plc Annual	<ul> <li>Created a service impact detection function to check for known issues affecting broadband service where an outage can be attributed to power, enabling better opportunity to report service issues, both internally and externally, particularly during severe weather events where power in the National Grid is affected.</li> </ul>
Report on <u>pages 71–79</u>	<ul> <li>Ran five emergency response team exercises, provided training for over 30 colleagues in flood operations and 18 colleagues in first responder emergency care.</li> <li>We responded to over 20 flood-related incidents to protect infrastructure and networks.</li> </ul>
	<ul> <li>Continued to partner with Connected Places Catapult as an asset owner and key stakeholder in the Phase 2 development of the Climate Resilience Demonstrator Tool (CReDo) to identify climate related vulnerabilities and dependencies in the Critical National Infrastructure asset network.</li> </ul>
Tackling air pollution	Our transition to electric vehicles is helping to reduce air pollutants from combustion engines as well as cutting carbon. We work with tech partners through our Green Tech Innovation Platform to pilot Internet of Things solutions to help local councils monitor air guality in real time.

Contents	Being transparent	Disclosina policies	Identifying our	BT Group Manifesto –	Our social and	Environmental	Environmental data	Human capital	Sustainability
Contents	and accountable	and performance	ESG priorities		economic contribution		Liiviioiiiileiitataata	management	Accounting Standards
	and accountable	and periormance	L3d priorities	targets and progress	economic contribution	management		management	
				FY23					Board (SASB) index

## Environmental management continued

Nurturing biodiversity and nature	We use our EMS to help us manage biodiversity impacts, and we monitor wildlife-related incidents or risks at our sites. This year we ran a pilot to explore our impact on nature, in line with the draft TCFD framework. Openreach are setting up a working group that's focused on nature impacts linked to their activities, e.g. full fibre roll out. Openreach has also joined the UK Business and Biodiversity Forum.
Water consumption	Our UK water use rose this year by 108,325m³ (7.6%) to 1,531,893m³, due mainly to an increase in adiabatic cooling as a result of the above-average summer heat. Using water self-supply has helped us save over £2.7m since 2019, and has allowed us to improve how we monitor water usage, pinpoint areas of concern and fix leaks in order to minimise water wastage.
Helping customer save carbon	We've helped customers avoid 935,462 tonnes of carbon this year, mainly through full fibre broadband reducing personal or work-related travel. As we develop more products and services, like IoT and AI, we expect this number to grow. Associated revenues from carbon-saving products amounted to £6bn this year.
Circularity	Globally, we generated 80,665 tonnes of waste this year, of which 73.9% was recycled, 2.5% was reused, and 12.1% was recovered. For the UK, our total recycling, reuse and recovery rate was 89.4%. This year, our total waste increased significantly (83% more than FY22), which was largely due to increasing network infrastructure build within Openreach, which generates a high volume of heavy material, such as soil and construction spoils. A proportion of these materials also ended up as inert waste to landfill, which drove up our overall diversion to landfill percentage versus FY22. Our target is to achieve zero waste to landfill by 2030, by increasing the amount we reuse and recycle whilst limiting our use of energy from waste disposal routes to only where it is unavoidable.
	1,279 tonnes of network equipment has been reused or recycled through our Exchange Clearance Operations programme, working with partners N2S and TXO. We also recovered 2,750 tonnes of batteries for recycling. Our Network teams used nearly 1,400 pieces of refurbished network equipment for use within our operation, of which 25% were recovered from within BT Group's own network.
	Our return rate for leased customer premises equipment was 68.2% for 2022, up 6.5% on 2021 (our target is 75% by FY26¹).
	Over 1.8m home hubs and set-top boxes were returned to us and through our refurbishment operation, 83% were reused, with the remainder being responsibly recycled. We collected a total of over 190,000 mobile devices through our consumer and business trade-in schemes, over 97% of these were reused, with the rest being recycled. This equates to a take-back rate of 5.4% for distributed mobile devices; we have a target to increase this to 25% by FY26.
	We are also supporting our EE customers to extend the life of their smartphones through the roll out of our EE superfast in-store phone repair service, which was rolled out nationally across our stores. Most customers will be able to have their Apple, Samsung or Google phone fixed in as little as 2 hours, or collect later the same day.
	We announced a new partnership with Cisco, enabling B2B customers to return their old network devices for reuse and recycling.
	We expanded the use of our carbon neutral eco-SIMs, made from 100% recycled plastics recycled from old fridges and freezers.
	We've also developed a new router and TV box with a more circular design, with design features that include using up to 95% recycled plastic in the outer casing, using fewer materials by weight, and reducing or completely removing plastic packaging.
	Our new EE uniform has been designed with circularity at its core. Working with a leading sustainable clothing manufacturer, our new uniform is made with organic cotton, printed on demand, powered by renewable energy and designed to be returned to the manufacturer at end of life to be re-spun.
Sustainability advocacy	Recognising that supportive policy environments are critical, we work with established industry associations, regulators, politicians and policy makers to advocate for standards regulation and policies that will support both our company's transition and the transition of wider society to keep within the 1.5°C warming limit. We are also partners of the following organisations – Aldersgate Group, the UK Electric Fleets Coalition, European Green Digital Coalition, EV100 and RE100, techUK, GSMA and JAC as well as the UN's Race to Zero, We Mean Business and 1.5 Supply Chain Leaders. We signed the Corporate Knights Action Declaration on climate policy engagement, committing to ensuring our climate policy engagement activities support the Paris Agreement.

<sup>1</sup> This target only relates to equipment which is leased to our consumers under their contract terms.

## **Environmental data**

Ur detailed environmental data can be viewed and downloaded here: BT Group plc - Environmental data FY23

It includes detailed disclosures relating to energy, renewable electricity, greenhouse gas emissions, transport and travel, waste and recycling, and water consumption.

## Below is a summary of our worldwide energy use and greenhouse gas emissions<sup>a</sup>

In the table below, we provide an overview of Scope 1, 2 and 3 greenhouse gas emissions.

#### ☐ We report in line with the Greenhouse Gas Protocol (ghgprotocol.org)

We will continue to develop our metrics and measurement approach to help us track climate-related risks and opportunities.

Year ended 31 March		FY21				FY22	!		FY23			
	u	κ	Non-	ик	UI	κ	Non-	ик	u	κ	Non-	ик
	Energy GWh	CO₂e <sup>f</sup> Tonnes	Energy GWh	CO₂e Tonnes	Energy GWh	CO₂e Tonnes	Energy GWh	CO₂e Tonnes	Energy GWh	CO₂e Tonnes	Energy GWh	CO₂e Tonnes
Scope 1 <sup>b</sup> (direct emissions)												
Gas and Oil – heating	174	32,625	2	326	169	31,595	2	301	139	25,870	2	292
Gas and Oil – generators <sup>e</sup>	36	8,318	0.3	80	30	6,842	0.1	30	15	3,463	0.1	31
Fugitive emissions – refrigerants		1,151		2,433		3,087		1,501		522		281
Commercial fleet (converted from litres fuel)	506	121,732	3	723	553	130,971	3	575	591	142,357	3	673
Commercial travel (converted from mileage/cost/litres fuel)	9	2,229	8	1,805	13	3,151	5	1,300	15	4,018	11	2,720
Total scope 1	725	166,055	13	5,367	765	175,646	10	3,707	760	176,230	16	3,997
Scope 2 <sup>c</sup> (electricity including nuclear & CHP <sup>g</sup> )												
Total consumption (LBMh)	2,335	544,280	233	77,165	2,311	490,704	210	63,599	2,287	442,261	201	56,041
MBM¹ renewable consumption CO₂e adjustments												
General consumption	2,335	(544,279)	233	(76,963)	2,309	(490,363)	210	(63,398)	2,283	(441,524)	201	(55,963)
Commercial fleet EV <sup>j</sup> consumption	N/A	N/A	_	-	1.5	(298)	-	-	3.3	(633)	-	-
Company car EV consumption	0.005	(1)	_	_	0.2	(43)	_	-	0.4	(104)	0.1	(20)
Total Scope 2 CO₂e MBM adjusted				202				201		_		58
Total Scopes 1 & 2 (MBM)	3,060	166,055	246	5,569	3,076	175,646	220	3,908	3,047	176,230	217	4,055
Worldwide Scopes 1 & 2 CO₂e (MBM) % Change from baseline year FY17 (baseline 404,780)		171,62 (58)%			179,554 (56)%				180,285 (55)%			
Scope 3 <sup>d</sup> : Worldwide emissions CO₂e tonnes		3,071,2				3,135,3				3,289,		
KEY CLIMATE TARGETS												
Intensity metric Scope 1 & 2 worldwide emissions tonnes CO <sub>2</sub> e per £m												Target
value added (baseline 31.50)		13.47				14.19			13.		31 N	March 2031
% Change from baseline year FY17		(57)%	6			(55)%	6		(56	)%		(87)%

Contents Being transparent Disclosing policies Identifying our BT Group Manifesto - Our social and Environmental Environmental data Human capital Sustainability and accountable and performance ESG priorities targets and progress economic contribution management management **Accounting Standards** Board (SASB) index

#### Environmental data continued

Year ended 31 March		FY2	1			FY2:	2		FY23			
	ик		Non-UK		ик		Non-UK		uĸ		Non-UK	
	Energy GWh	CO₂e <sup>f</sup> Tonnes	Energy GWh	CO₂e Tonnes								
SBTI Supply chain emissions GHG Scope 3 Upstream + Operational (GHG Catg 1–8) kt (baseline 3,217 kt) % Change from baseline year FY17		2,32 (28)				2,42 (25)°			2,58 (20)9		31 M	Target arch 2031 (42)%

N/A: Not available or Not Applicable

- a Energy and emissions data are externally assured by <u>LRQA</u> to a high level of assurance using Accountability's AA1000AS v3. <u>Independent assurance statement.</u>
  We restate historical years' data when we think subsequent information is materially significant (e.g. replacing estimates with measured figures)
- b Scope 1: Direct emissions from our own operations (e.g. fleet/heating fuel combustion)
- c Scope 2: Indirect emissions from the generation of our consumed energy (mainly electricity) (Excludes 3rd party consumption)
- d Scope 3: Including supply chain, customer use of our products, and other indirect emissions (such as employee commuting)
- $e\quad GWh for Gas\,\&\,Oil\,is\,based\,on\,GWh\,equivalent\,input\,value\,before\,combustion\,and\,gross\,calorific\,value$
- f CO<sub>2</sub>e Carbon Dioxide equivalent emissions
- g CHP Combined heat and power
- h LBM Location-based method for Scope 2 emissions accounting as defined in the Scope 2 Guidance amendment to the Corporate Standard (ghaprotocol.org)
- i MBM Market-based method for Scope 2 emissions accounting as defined in the Scope 2 Guidance amendment to the Corporate Standard (ghgprotocol.org)
- EV Electric vehicle
- ☐ We report in line with the Greenhouse Gas Protocol https://ghgprotocol.org/
- For full methodology and further data visit our website **bt.com/esgaddendum**

# Human capital management Colleague Data

		2023
102,639	100,978	99,613
83,202	82,463	80,076
82,976	82,214	79,782
226	249	294
9,212	8,060	7,425
1,962	1,544	1,256
2.4%	1.9%	1.6%
19,437	18,515	19,537
1,575	1,258	1,166
5,238	4,550	4,238
11,966	11,948	13,377
658	759	756
657	272	221
3,551	3,961	2,267
N/A	38.0%	33.4%
N/A	30.5hrs	26.1hrs
N/A	£32.3m	£33.8m
N/A	93.6%	94.5%
	82,976 226 9,212 1,962 2.4% 19,437 1,575 5,238 11,966 658  657 3,551  N/A  N/A  N/A	102,639 100,978 83,202 82,463 82,976 82,214 226 249 9,212 8,060 1,962 1,544 2.4% 1.9% 19,437 18,515 1,575 1,258 5,238 4,550 11,966 11,948 658 759  657 272 3,551 3,961  N/A 38.0%  N/A 30.5hrs N/A \$232.3m

For years ending 31 March:	2021	2022	2023
Pay			
UK Gender Pay Gap (Median)	5.0%	6.7%	6.1%
UK Gender Pay Gap (Mean)	4.9%	5.0%	3.7%
CEO Pay Ratio (P50 median base salary)	31:1	31:1	31:1
% Colleagues paid above the Real Living Wage (UK only – excluding apprentice and industrial placements)	N/A	99.4%	99.8%
% Colleagues paid above the Real Living Wage (UK only – all colleagues)	N/A	98.5%	99.4%
Colleague turnover			
BT Group % (UK and non-UK)	11.8%	17.0%	16.4%
Voluntary turnover (%)	N/A	14.1%	13.7%
Involuntary turnover (%)	N/A	2.9%	2.7%
Turnover % (UK)	11.0%	15.1%	14.4%
Turnover % (Non-UK)	15.3%	25.1%	25.2%
Number of colleagues left BT Group under paid leaver schemes	4,200	3,235	2,753
Colleague volunteering			
Number of days	1,257	7,160	8,517
Colleague Feedback Survey - YourSay			
Engagement index score	80%	79%	73%

Contents	Being transparent	Disclosing policies	Identifying our	BT Group Manifesto –	Our social and	Environmental	Environmental data	Human capital	Sustainability
	and accountable	and performance	ESG priorities	targets and progress	economic contribution	n management		management	Accounting Standards
				FY23					Board (SASB) index

# Human capital management continued Colleague Data continued

Workforce d	iversity
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For years ending 31 March:	2022	2023
BT Group workforce (excluding Openreach)		
Women <sup>1</sup>	34.9%	34.8%
Ethnic minority <sup>2</sup>	11.9%	13.4%
Disability <sup>2</sup>	6.9%	8.2%
Openreach workforce		
Women	10.3%	10.3%
Ethnic minority <sup>2</sup>	9.4%	9.1%
Disability <sup>2</sup>	6.0%	6.0%
BT Group workforce		
Women <sup>1</sup>	25.7%	25.7%
Ethnic minority <sup>2</sup>	10.8%	11.5%
Disability <sup>2</sup>	6.5%	7.2%

<sup>1</sup> Global workforce.

For years ending 31 March:	2021	2022	2023
Age profile (UK workforce)			
Under 20	587	709	1,025
20–29	18,546	18,431	17,933
30–39	20,608	21,285	21,393
40-49	17,733	17,482	16,837
50-59	20,310	19,196	17,726
Over 60	5,418	5,360	5,160
Unknown	0	0	2
Total	83,202	82,463	80,076

 $<sup>2 \</sup>quad \text{UK workforce only, due to data limitations, and based on declared data only.} \\$ 

Contents	Being transparent	Disclosing policies	Identifying our	BT Group Manifesto –	Our social and	Environmental	Environmental data	Human capital	Sustainability
	and accountable	and performance	ESG priorities	targets and progress	economic contributi	ion management		management	Accounting Standards
				FY23					Board (SASB) index

## Human capital management continued

Colleague Data continued

Board and leadership diversity			
For years ending 31 March:	2021	2022	2023
Board			
Women	4 of 12	4 of 11	4 of 121
Ethnic Minority	2 members	2 members	2 members
Executive Committee			
Women	36%	36.4%	30%
Ethnic Minority	1 member	1 member	2 members
Senior leadership team			
Women	N/A	26.1%	22.5%
Ethnic Minority	N/A	8.0%	13.5%
Black/Black Heritage	N/A	0.0%	1.0%
Disability	N/A	5.3%	7.7%
Senior management team			
Women	N/A	35.3%	35.4%
Ethnic Minority	N/A	10.4%	9.0%
Black/Black Heritage	N/A	0.8%	2.3%
Disability	N/A	4.5%	9.4%

<sup>1</sup> This is the position as at 31/3/23. With the appointment of Ruth Cairnie on 6 April 2023, and taking into account the changes to the Board anticipated at the 2023 AGM, this will bring the female membership of the Board to within the targets of the board diversity and inclusion policy of 40% (refer to the Governance section the Annual Report 2023).

Health safety and wellbeing For years ending 31 March:	2021	2022	2023
Lost Time Incident Frequency Rate			
(incidents per 200,000 working hours)	0.48	0.63	0.66
Sickness Absence Rate (percentage calendar days lost)	2.85%	3.69%	3.87%
Sickness pay costs (UK only)	£103.2m	£90.5m	£78.1m
Cases of work-related ill health per 10,000 people in post	35.6	42.8	55.9
% Sick absence days lost due to mental health reasons (as a percentage of total days of sick absence)	N/A	22%¹	22%
Work-related fatalities (BT Group colleagues)	1	0	0

<sup>1.</sup> Excludes referral data for EE colleagues, in-scope in subsequent years. N/A = Not Available (data not captured).

Employment tribunal cases <sup>1</sup>			
For years ending 31 March:	2021	2022	2023
Cases completed	71	69	50
Judged against BT Group	2	3	3
Settled	37	30	21
Judged for BT Group or withdrawn	32	36	26

<sup>1.</sup> UK only completed tribunal claims that featured a discrimination element.

Disclosing policies Sustainability Contents Being transparent Identifying our BT Group Manifesto - Our social and Environmental Environmental data Human capital and accountable and performance **ESG** priorities targets and progress economic contribution management management Accounting Standards Board (SASB) index

## $\textbf{Human capital management} \ continued$

Pay gap - supplementary data<sup>1</sup>

## Gender pay gap - BT Group

Pay Gap	Median	Mean
2022	6.1% (-0.6)	3.7% (-1.3)
2021	6.7% (+1.7)	5.0% (+0.1)
2020	5.0% (+0.2)	4.9% (+0.2)

Pay quarter		BT Group (UK)						
	Male	Female	Range/Hour	Range/FTE				
Overall distribution (full pay relevant employees)	76.4%	23.6%	> Above < Below	> Above < Below				
Q4: Upper	76.7% (-0.3)	23.3% (+ 0.3)	>£21.26	>£41,600				
	81.1%	18.9% (– 1.0)	<£21.26	<£41,600				
Q3: Upper middle	(+ 1.0)		>£17.21	>£33,675				
Q2: Lower middle	83.4%	16.62%	>£17.21	<£33,675				
Q2: Lower middle	(-1.3)	(+ 1.3)	>£14.42	>£28,216				
Otel ower	64.2%	35.8%	<£14.42	<£28,216				
Q1: Lower	(+1.0)	(-1.0)	>£7.97	<£15,595				

Bonus Gap	Median	Mean
2022	21.2% (-0.9)	2.8% (-1.4)
2021	22.1% (+10.1)	4.2% (+0.8)
2020	12% (+33.5)	3.4% (-5.9)

Year	Female	
2022	93.3%	92.0%
2021	82.1%	83.4%
2020	75.6%	78.7%

## 1 Our pay gap figures have been calculated in line with the government regulations. They show the mean and median pay gap (based on hourly rates of pay at 05 April 2022) and mean and median bonus gap (based on bonuses paid in the 12 months to 05 April 2022).

#### Entity pay gap data (for BT Group entities in scope)

BT plc	202	22	2021		
Quarter	Male	Female	Male	Female	
Lower	59.4%	40.6%	59.9%	40.1%	
Lower Middle	62.7%	37.3%	62.2%	37.8%	
Upper Middle	74.6%	25.4%	74.7%	25.3%	
Upper	74.2%	25.8%	74.4%	25.6%	
Population	67.7%	32.3%	67.8%	32.2%	
EE	202	22	202	1	
Quarter	Male	Female	Male	Female	
Lower	46.3%	53.7%	49.4%	50.6%	
Lower Middle	51.6%	48.4%	51.3%	48.7%	
Upper Middle	55.7%	44.3%	55.5%	44.5%	
Upper	63.2%	36.8%	63.5%	36.5%	
Population	54.2%	45.8%	54.9%	45.1%	
Openreach	202	22	2021		
Quarter	Male	Female	Male	Female	
Lower	85.9%	14.1%	90.9%	9.1%	
Lower Middle	94.7%	5.3%	95.8%	4.2%	
Upper Middle	93.5%	6.5%	92.9%	7.1%	
Upper	85.2%	14.8%	84.3%	15.7%	
Population	89.8%	10.2%	91.0%	9.0%	
Plusnet	202	22	202	1	
Quarter	Male	Female	Male	Female	
Lower	72.6%	27.4%	62.5%	37.5%	
Lower Middle	78.2%	21.8%	76.8%	23.2%	
Upper Middle	69.5%	30.5%	69.1%	30.9%	
Upper	71.3%	28.7%	74.4%	25.6%	
Population	72.9%	27.1%	70.7%	29.3%	

Disclosing policies Sustainability Contents Being transparent Identifying our BT Group Manifesto - Our social and Environmental Environmental data Human capital and accountable and performance **ESG** priorities targets and progress economic contribution management management Accounting Standards Board (SASB) index

## $\textbf{Human capital management} \ continued$

Pay gap - supplementary data¹ continued

Bonus	2022								
Entity	Mean	Diff 2021	Median	Diff 2021					
BT plc	22.9%	-6.0%	20.2%	-6.7%					
EE	23.8%	-1.5%	23.5%	-4.3%					
Openreach	-12.4%	37.6%	28.9%	11.7%					
Plusnet	13.5%	-9.5%	11.6%	2.8%					

Bonus participation		2022	
Entity	Gender	Percentage	Variation compared to 2021
PT nla	Female	91.80%	10.60%
BT plc	Male	92.10%	12.70%
EE	Female	94.50%	0.50%
EE	Male	94.80%	-0.90%
Openreach	Female	89.60%	13.80%
Openieach	Male	94.00%	12.30%
Plusnet	Female	90.10%	6.00%
riusnet	Male	92.90%	2.00%

## Ethnicity pay gap

	20	2022		21
	Mean	Median	Mean	Median
Overall	-0.3%	-1.2%	-0.1%	-2.7%
Asian	-3.6%	-2.4%	-2.3%	-3.7%
Black	6.6%	-0.3%	5.3%	-2.7%
Mixed	3.3%	5.2%	3.3%	6.0%
Other	-6.2%	-9.3%	-8.0%	-13.8%

Pay quarter	BT Group							
	White	Asian	Black	Mixed	Other			
Overall distribution (full pay relevant employees)	86.0%	7.6%	3.5%	1.8%	1.1%			
Q4: Upper	83.4%	9.9%	3.5%	1.7%	1.5%			
Q3: Upper middle	87.7%	6.0%	3.8%	1.4%	1.1%			
Q2: Lower middle	89.0%	5.5%	2.9%	1.8%	0.8%			
Q1: Lower	83.8%	8.7%	3.9%	2.5%	1.1%			

Ethnicity bonus gap	202	22	2021	
Limitity bonds gup	Mean	Median	Mean	Median
Overall	8.4%	14.2%	6.6%	12.1%
Asian	-2.1%	1.3%	-2.7%	3.4%
Black	37.7%	53.9%	36.0%	40.1%
Mixed	0.7%	-14.9%	1.4%	1.3%
Other	-1.5%	40.1%	-9.5%	11.0%

<sup>1</sup> Our pay gap figures have been calculated in line with the government regulations. They show the mean and median pay gap (based on hourly rates of pay at 05 April 2022) and mean and median bonus gap (based on bonuses paid in the 12 months to 05 April 2022).

Contents Being transparent Disclosing policies Identifying our BT Group Manifesto - Our social and Environmental Environmental data Human capital Sustainability and accountable and performance **ESG** priorities targets and progress economic contribution management management Accounting Standards FY23 Board (SASB) index

## Human capital management continued

Diversity and inclusion initiatives

BT Group has partnered with several organisations to increase our reach and attraction, notably through:

- Purple Goat, the UKs only Communications Agency run by disabled people, to deliver a series
  of personalised videos highlighting the lived experiences of BT Group colleagues with a range
  of disabilities
- Extending our commitment to the U.K. Armed Forces Covenant (Gold member), as one of the largest employers of Reservists and former military personnel. This includes the support of armed services personnel into civilian life through the Transition Force
- Code First Girls, Women Returners (India), Black Girls Tech Summit and Girl Talk London
- 10,000 Black Interns and the Aleto Foundation: the summer programme featured speakers from across BT Group, and featured Sir Kenneth Olisa, David Villa Clarke, Leanne Armitage and Paul C Brunson
- Avado FastFutures programme, where we're helping a diverse range of young people (ages 18–24) get into digital roles, supporting the government's skills agenda (see AR page 38).

We continue to invest in our diverse talent through targeted programmes:

- 221 Graduates and 2,267 Apprentices joined BT Group this year, and we currently have 469 Graduates and 3,830 Apprentices in total across the Group. We have maintained our gains in representation of Women, Ethnic Minorities and disabled colleagues
- 190 Graduates completed their programmes this year, taking up key permanent roles at BT Group
- 696 colleagues joined Aspire, Consumer's talent development programme for front-line employees, and are on career pathways for retail, contact centre and corporate roles (see AR page 32)
- In the second year of Accelerate, the BT Group-wide talent programme for junior managers, of the 460 that started and remain with BT Group, 119 have received a promotion
- 171 colleagues from BT Group have completed pathways in McKinsey's Leadership Academy, an
  external talent programme for junior managers, targeted at Black and other ethnic minorities.

Internally and externally, we continue to drive our inclusion agenda by understanding the lived experiences of others.

- Reverse Mentoring of senior leaders (over 30 mentor matches on disability, and over 150 mentor matches on ethnicity)
- Hope Utd/EE's 'Not Her Problem' campaign: aligned with the Woman's Euros in July, it highlighted
  that sexist hate was everyone's problem and providing the skills to tackle it (see AR page 38 for
  more on Hope Utd).

BT Group maintains a very active set of award-winning colleague driven people networks who continue to raise awareness and advocate for change both within and outside the group:

- Gold sponsor of London PRIDE 2022
- Peer2Peer network of over 900 trained members across 17 countries, providing a listening ear for BT Group colleagues who are struggling with their mental health
- Carers Network hosted 70 external organisations (including Ministry of Justice, Ministry of Defence, Nationwide, NatWest) to discuss carer health and wellbeing
- Able2 nomination British Diversity Awards 2023 Disability Network of the Year
- Our Ethnic Diversity Network was awarded Network of the Year 2023 at the World Skills UK EDI Hero Awards 2023.
- For more on diversity and inclusion across BT Group, refer to the AR pages 32-34

## Sustainability Accounting Standards Board (SASB) index

The Sustainability Accounting Standards Board (SASB) is an independent non-profit organisation that sets standards to guide the disclosure of financially material sustainability information by companies to their investors, SASB Standards identify the subset of environmental, social, and governance (ESG) issues most relevant to financial performance in each of 77 industries.

The table below cross-references the SASB accounting metrics with where that information can be found in BT Group's AR, ESG Addendum, or other publications, and covers the financial year ending 31 March 2023, unless otherwise stated.

This is our third year of reporting against SASB indicators – we plan to further develop our reporting where appropriate.

#### Telecommunication services standard 2018

Topic	Code	Accounting Metrics – description	Category	Unit of measure	Response/comments	Data/references
Environmental Footprint of Operations	TC-TL- 130a.1	1) Total energy consumed: Includes: Total electricity Gas & Oil – Heating Gas & Oil – Generators	Quantitative	GWh	2,641GWh* (* excludes fleet and travel related energy consumption)	ESG Addendum, <u>page 11</u> AR, <u>page 80</u>
		percentage grid electricity out of total energy consumption	Quantitative	%	94.09%	
		3) percentage renewable electricity out of	Quantitative	%	94.09%	<del>_</del>
	total energy consumption		100%* of the electricity that we consume worldwide in our networks, exchanges, offices and shops is renewably sourced.			
					(* 99.99% of the global electricity BT Group consumes is from renewable sources. The remaining 0.1% is where renewable electricity is not available in the market.)	
Data Privacy	TC-TL- 220a.1	Description of policies and practices relating to behavioural advertising and customer privacy	Discussion and Analysis	N/A	See our privacy policy and our website cookies.	BT Group privacy policy BT Business privacy policy EE Business privacy policy EE cookie policy Plusnet cookie policy bt.com cookie policy
Data Privacy	TC-TL- 220a.2	Number of customers whose information is used for secondary purposes	Quantitative	Number	We do not calculate and report on a metric as defined by the standard. In accordance with data protection legislation, we do conduct further processing of customer data, such as anonymisation, to generate aggregate statistical information. See our privacy policy for further details.	BT Group privacy policy BT Business privacy policy bt.com cookie policy

## Sustainability Accounting Standards Board (SASB) index continued

Topic	Code	Accounting Metrics – description	Category	Unit of measure	Response/comments	Data/references
Data Privacy TC-TL- 220a.3		Total amount of monetary losses as a result of legal proceedings associated with customer privacy	Quantitative	Reporting currency	We disclose material monetary losses associated with legal proceedings in our AR. Any individual material monetary sanctions imposed on BT Group due to data breaches are published independently by the UK Information Commissioner's Office (ICO).	AR – Provisions, <u>pages</u> <u>187-189</u>
					There were no such sanctions in FY23.	
Data Privacy	TC-TL- 220a.4	<ol> <li>Number of law enforcement requests for customer information</li> <li>Number of customers whose information was requested</li> <li>Percentage resulting in disclosure</li> </ol>	Quantitative	Number	In the UK, secrecy rules (under the Investigatory Powers Act 2016) prevent operators from confirming or denying the existence of certain investigatory powers requests. With industry, we have considered whether the Investigatory Powers (Disclosure of Statistical Information) Regulations 2018 provide any additional avenue for disclosure. BT Group's view is that the current approach (where the regulator discloses information centrally, on behalf of all industry) is the better approach to give a full and timely picture, given the secrecy provisions which remain in terms of certain requests for data. We do speak with the regulator to review this position and to consider ways to increase the effectiveness of that regulatory disclosure.	bt.com/privacy-and-free- expression
Data Security	TC-TL- 230a.1	<ol> <li>The total number of data breaches identified during the reporting period.</li> <li>The percentage of data breaches in which personally identifiable information (PII) was subject to the data breach.</li> <li>The total number of unique customers who were affected by data breaches, which includes all those whose personal data was compromised in a data breach.</li> </ol>	Quantitative	Number Percentage (%)	We report qualifying incidents to the relevant regulators (e.g. the Information Commissioners Office (ICO) in the UK) and impacted individuals, where we are legally required to do so and within the timeframes mandated. To the extent that the relevant regulators ever find fault with our data breach management and/or data security practices, they publish their findings/sanctions – typically in their Annual Reports and on their websites. There were no such sanctions in FY21, FY22 or FY23.	ICO
Data Security	TC-TL- 230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cyber security standards	Discussion and Analysis	N/A	Cyber security is one of our principal risks, we describe our general approach to how we manage this risk within our AR. We maintain a range of ISO 27001 certificates that are specific to services and customer contracts.	AR – How we manage risk, page 67

Contents	Being transparent	Disclosing policies	Identifying our	BT Group Manifesto –	Our social and	Environmental	Environmental data	Human capital	Sustainability
	and accountable	and performance	ESG priorities	targets and progress	economic contribution	n management		management	Accounting Standards
				FY23					Board (SASB) index

## Sustainability Accounting Standards Board (SASB) index continued

Topic	Code	Accounting Metrics – description	Category	Unit of measure	Response/comments	Data/references
Product End-of-Life Management	TC-TL- 440a.1	<ol> <li>Materials recovered through take back programmes, percentage of recovered materials that were:</li> <li>reused</li> <li>recycled</li> <li>landfilled</li> </ol>	Quantitative	Metric tonnes (t), Percentage (%)	During FY23, we collected nearly two million devices through our take-back schemes for mobile devices home hubs and Customer Premises Equipment, equivalent to approximately 1,592 tonnes. For the devices processed in the reporting financial year, 100% were either reused or recycled, with the remainder reused or recycled in the next financial year.	ESG Addendum – <u>page 10</u> AR – <u>page 39</u>
					Total recovered (tonnes): 1,592 Reused (%): 80%	
					Recycling (%): 20%	
					Landfilled (%): 0%	
					For our reporting on circular economy activities and our overall waste and recycling data, see reference links.	
Competitive Behaviour and Open Internet	TC-TL- 520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations	Quantitative	Reporting currency	We disclose material monetary losses associated with anti-competitive behaviour proceedings in our AR. There were no material losses in FY23.	AR – Provisions, <u>pages</u> 187-189
Competitive Behaviour and Open Internet	TC-TL- 520a.2	Average actual sustained download speed of 1) owned and commercially-associated	Quantitative	Quantitative	We don't differentiate between the two types of content identified in the standard.	Ofcom: Broadband data and research
		content 2) non-associated content			We are an active participant in comprehensive independent performance and experience testing on both our fixed broadband and mobile networks. This is covered in official reports from Ofcom and RootMetrics (IHS Markit) for publicly available mobile network performance and experience.	RootMetrics

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Contents	Being transparent	Disclosing policies	Identifying our	BT Group Manifesto –	Our social and	Environmental	Environmental data	Human capital	Sustainability
	and accountable	and performance	ESG priorities	targets and progress	economic contribution	on management		management	Accounting Standards
				FY23					Board (SASB) index

## Sustainability Accounting Standards Board (SASB) index continued

Topic	Code	Accounting Metrics – description	Category	Unit of measure	Response/comments	Data/references
Competitive Behaviour and Open Internet	TC-TL- 520a.3	Description of risks and opportunities associated with net neutrality, paid peering, zero rating, and related practices	Discussion and Analysis	N/A	We adhere to the current EU net neutrality regulation which has been transposed into UK law. In January 2023 we responded to Ofcom's consultation on proposals to revise its guidance on how the net neutrality rules should apply. We support Ofcom's proposals but it is our view that a full Government review is required in order to ensure the rules remain fit for purpose and promote economically efficient network investment. We await Ofcom's statement in Autumn 2023.	
Managing Systemic Risks from Technology Disruptions	TC-TL- 550a.1	<ol> <li>System average interruption frequency</li> <li>Customer average interruption duration</li> </ol>	Quantitative	Disruptions per customer, Hours per customer	We do not currently report on the metrics defined by the standard.	
Managing Systemic Risks from Technology Disruptions	TC-TL- 550a.2	Discussion of systems to provide unimpeded service during service interruptions	Discussion and Analysis	N/A	'Operational resilience' and 'Customers, brands and products' Service are two of our BT Group risk categories. We describe our general approach to how we manage these risks within the AR.	AR, How we manage risk, pages 67-69
Activity Metrics	TC-TL- 000.A	Number of wireless subscribers	Quantitative	Number	20,557,000 (to nearest 1,000)	
Activity Metrics	TC-TL- 000.B	Number of wireline subscribers	Quantitative	Number	11,944,000 (to nearest 1,000)	
Activity Metrics	TC-TL- 000.C	Number of broadband subscribers	Quantitative	Number	9,118,000 (to nearest 1,000)	
Activity Metrics	TC-TL- 000.D	Network traffic	Quantitative	Petabytes	Openreach's UK broadband network: 64,364 Petabytes (PB) of data in 2022.	Openreach's performance dashboard



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