



LRQA GROUP LIMITED Independent Assurance Statement

Relating to BT Group plc's Annual Report 2024 – Manifesto & Task Force on Climate-related Financial Disclosures (TCFD) sections, for the financial year ending 31st March 2024.

This Assurance Statement has been prepared for BT Group plc in accordance with our contract but is intended for the readers of this Report.

Terms of engagement

LRQA was commissioned by BT Group plc (BT Group) to provide independent assurance on its 'Annual Report 2024 – Manifesto & TCFD sections and ESG Addendum and the Carbon Reduction Plan' ("the report") against the assurance criteria below to a high level of assurance and materiality using Accountability's AA1000AS v3.

Our assurance engagement covered BT Group's operations and activities worldwide and specifically the following requirements:

- Reviewing adherence to AA1000AS's Accountability Principles of Inclusivity, Materiality, Responsiveness and Impact and evaluating the reliability of the specified sustainability performance information (Type 2 engagement).
- Verifying greenhouse gas (GHG) emissions data related to BT Group's CDP submission, including Direct (Scope 1), Energy Indirect (Scope 2), and Other Indirect (Scope 3) as defined within the GHG Protocol Corporate Standard.
- Verifying data and information related to the UK's Streamlined Carbon and Energy Reporting (SECR) Regulations requirements.

Our assurance engagement excluded the data and information of BT Group's suppliers, contractors and any third-parties mentioned in the report. It also excluded the Sustainability Accounting Standards Board (SASB) Index section of the ESG Addendum.

LRQA's responsibility is only to BT Group. LRQA disclaims any liability or responsibility to others as explained in the end footnote. BT Group's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the report and for maintaining effective internal controls over the systems from which the report is derived. Ultimately, the report has been approved by, and remains the responsibility of BT Group.

LRQA's Opinion

Based on LRQA's approach, we believe that BT Group has, in all material respects:

- Met the requirements above
- Disclosed accurate and reliable performance data and information
- Covered all the issues that are important to the stakeholders and readers of this report.

The opinion expressed is formed on the basis of a high level of assurance and at the materiality of the professional judgement of the verifier.

LRQA's approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks though were undertaken as part of the evidence gathering process for this assurance engagement:



- Assessing BT Group's approach to stakeholder engagement to confirm that issues raised by stakeholders were captured correctly. We did this through reviewing minutes of meetings and reviewing associated documents and records.
- Reviewing BT Group's process for identifying and determining material issues to confirm that the right issues were included in their Report. We did this by benchmarking reports written by BT Group and its peers to ensure that sector specific issues were included for comparability. We also tested the filters used in determining material issues to evaluate whether BT Group makes informed business decisions that may create opportunities that contribute towards sustainable development.
- Auditing BT Group's data management systems to confirm that there were no significant errors, omissions or mis-statements in the report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification. We also spoke with those key people responsible for compiling the data and drafting the report.
- Reviewing BT Group's Group Internal Audit's (GIA)¹ process and evidence files to confirm that their internal verification was performed thoroughly. GIA checked the validity of data and information in the ESG Addendum: People Data.

Observations

Further observations and findings, made during the assurance engagement, are:

- **Stakeholder inclusivity:**
We are not aware of any key stakeholder groups that have been excluded from BT Group's stakeholder engagement process. BT Group demonstrated that they have incorporated these stakeholder concerns into their management approach and decision-making processes in-order to develop a structured engagement approach and response to sustainability issues.
- **Materiality:**
We are not aware of any material issues concerning BT Group's sustainability performance that have been excluded from the report. It should be noted that BT Group has established extensive criteria for determining which issue/aspect is material and that these criteria are not biased to the company's management.
- **Responsiveness:**
BT Group has processes in place to respond to its stakeholders especially government authorities, employees and the public, partners and suppliers, shareholders and investors.
- **Impact:**
BT Group has demonstrated that they have processes in place to determine the impact of the programmes discussed in the Report.
- **Reliability:**
Data management systems are considered to be well defined and implemented. BT Group has acted upon the recommendations made by LRQA in 2023. The following additional recommendation is made this year:
 - Improvements made in gathering international electricity consumption data should be extended to other international GHG emission categories.

LRQA's standards, competence and independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 *Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition* and ISO/IEC 17021 *Conformity audit – Requirements for bodies providing audit and certification of management systems* that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the *Code of Ethics for Professional Accountants* issued by the International Ethics Standards Board for Accountants.

¹ GIA is an independent, objective, review function for the BT Group. Its role is to provide independent and objective assurance to senior management and the Board as to the adequacy and effectiveness of key controls and of risk management activities across the organisation. The Director of Risk, Compliance and Assurance retains the right to report to the Board Audit & Risk Committee instances where the department's independence or objectivity is impaired by the activity or behaviour of audit.



LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification audits is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

LRQA is BT Group's certification body for ISO 9001, TickIT plus, ISO 14001, ISO20000-1, ISO 27001, ISO 22301, ISO 45001, ISO 50001 and tScheme. We also provide BT Group with 2nd party audits for BACS compliance and a range of training services related to management systems. The verification and certification assessments, together with the training, are the only work undertaken by LRQA for BT Group and as such does not compromise our independence or impartiality.

Dated: 16 May 2024

Richard Oxley
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