



Annual General Meeting 2025

Allison Kirkby - Chief Executive
Presentation transcript



Thank you. Thank you, Adam and welcome, everyone, it is such a pleasure to be with you and to see so many of you here in our London home. I want to start by recognising the thing that makes this meeting and this company so special, which is of course that many of you are not just our owners you are also our customers. Relying on BT to keep you connected at home, at work, and on the move, so I want to thank you for your loyalty as both owners and as customers.

For 180 years BT has been connecting the country and is the backbone of the UK. It is such a privilege and a responsibility that we take seriously.

Today we're going to take you through the progress we've made as we continue a once in a generation upgrade of this great company and the strategy that will ensure that we continue to deliver in the years to come.

But first, Adam has already introduced our Board colleagues, I want to extend a big welcome all so to my executive team who are here today and many of whom you know. Simon, Sabine, Clive, Howard and Bas, and several of whom may be new to you. Claire Gillies and Jon James have joined us to lead the consumer and UK business divisions, respectively. Alison Wilcox has returned to lead the people and culture team. Tom Meakin has been leading strategy and change since late last year, and finally we're looking forward to Peter Leukert joining us from Deutsche Telekom in September to lead our digital a team and the agenda ahead for them and they are all here today clearly apart from Peter who joins in September.

This time last year I stood before you and I shared my vision for BT, I said that I wanted BT to become a company that everyone is proud to be associated with. A better BT for all of us. A true national champion, recognised for the role we play in the UK's future, whilst consistently delivering for our customers and you, our owners.

To get there I said we would double down on the UK and connectivity, we would build and connect our customers to next generation networks at pace, and we would accelerate our modernisation to restore leadership in everything we do. I am proud today to tell you that we're doing what we said we would, as we become the UK's most trusted connector of people, business and society.

So, let's start with some highlights from the past year. We broke records with our full fibre build and take up and our mobile network leadership was confirmed for the 11th year in a row by Rootmetrics. And as Adam said customers recognise the benefits, with satisfaction improving across all our brands and in all our markets segments.

We celebrated landmark contract wins like the extension of our work with the Home Office on the Emergency Services Network, helping keep citizens safe

when they need it most. And in February the first customer traffic went live on our new Global Fabric platform for our international customers.

We sharpened our focus on UK connectivity by selling businesses in Ireland and in Italy and we've now carved out our international business as we explore opportunities for its future. In trading however, it has been tough and it's a very competitive market for the sector. Slower economic growth has meant fewer new homes and businesses coming online and at the same time customers are upgrading their devices less frequently. So, against that back drop we drove our transformation agenda to ensure that we delivered savings ahead of our plan to more than make up for the revenue challenges that we faced.

As a result, we achieved EBITDA growth and a better-than-expected normalised free cash flow of £1.6 billion. Crucially, keeping us on track for the multi year targets that we set out last year with free cash flow of £2 billion for next fiscal year and £3 billion by the end of the decade.

Reflecting this performance and our confidence in continued cash flow growth we're proposing to increase your total dividend for the year to 8.16p per share, that's a year-on-year increase of 2% and in line with our progressive dividend policy.

So that was the past year, a year in which we've seen the acceleration of digitalisation like never before, putting the infrastructure we're building and the resilient connectivity that we're providing at the centre of almost every aspect of modern life and at the heart of the country's growth agenda.

So now let me run through our strategy. Our purpose remains to connect for good, what's changed is that we've sharpened our focus on the UK, and on the connectivity that we provide here.

And we'll make it a winning strategy by doing three things brilliantly. Building the best most trusted networks, connecting our customers so that they thrive as we grow in an increasingly more digital world, and accelerating our modernisation to restore leadership in everything that we do.

I would like to now take each of those in turn and let's take first building. BT is the FTSE's leading investor into the UK and into its infrastructure. No one else comes close to us. And as Adam said in the past five years, we've invested over £24 billion into the country with a further £20 billion to come over the rest of the decade.

Our networks are benefiting customers in every corner of the country, adding tens of billions a year to the economy, boosting national productivity and playing a central role in the country's prosperity and safety.

Back in 2018, we had a largely copper based network with very little full-fibre in it, and in just seven years our footprint has gone from near zero to more than 19 million premises passed with full-fibre, now reaching more than half the country.

And there's more to come. We're accelerating our build to pass more than five - up to five million premises, sorry Clive, I increased your target there - to build up to five million premises this coming financial year, so that means by the time we're here in a year from now we'll have passed 23 million homes and businesses, be more than 90% of the way to our 25 million premises passed near term target, and we'll have connected close to nine million of them.

In mobile we're on track to hit 90% 5G population coverage in the next two years, a year ahead of schedule.

And, less than 12 months after switching on, the 5G standalone network has reached 50 towns and cities, unlocking the benefits of speed, performance and capacity for our customers. To be clear, we're also the leader with 5G standalone, well ahead of any other operator and will reach a further 13 million in the next year.

Whether it's 5G, full-fibre or 5 million public WiFi hot spots we'll look to use all of our network assets to deliver a more seamless connectivity experience for everyone at a scale no one else can offer.

And as we move our customers from legacy to digital networks, we'll continue to innovate, in our networks, in the in-home experience, in cyber to protect them and beyond bringing customers and the country the best, the safest and the most trusted digital infrastructure.

The second thing we need to do brilliantly is connect our customers so that they thrive as we also grow in a more digital world. We are custodians, very proud custodians, of some of the country's most loved brands. BT, EE, Plusnet and Openreach. And in the next year you can expect to see more of the iconic BT brand again with all its heritage trust and the innovation it has represented for generations, alongside EE and Plusnet in the consumer space.

On the best connectivity products for life and work no one is connecting the country as reliably as we are, whether you're a household juggling streaming, gaming and work, a small business taking payments at busy events, a rural community tapping into the digital economy or the emergency services helping people in a crisis.

We're also giving customers the best experiences. Now we know that in the past doing business with BT has been too hard. We're changing this. We're using AI to drive personalisation, we're modernising our contract platforms to make things easier for all of you and all of our customers to deal with us, and we're seeing a good customer response so far even if we have more to do. Working alongside our

colleagues and communities across the UK we have Aimee, the AI chatbot, who continues to achieve excellent and very high customer satisfaction scores even as she evolves to handle more complex queries and she is additive to the human colleagues that work every day with all of you.

And on top of having the best connectivity, we're working to bring our customers the best from our partners at the world's leading technology companies. Whether that's a more flexible TV package where you can pick and choose the streaming services you want, software from companies like Microsoft that we know runs better on BT. Or cyber products to protect all of our customers from the growing digital threats.

Finally on accelerating, to restore leadership in everything we do by modernising. Let's start with our people, who are the beating heart of BT. We are also doing more to unlock their potential. For example, we're now one of a select group of major UK companies supporting the government's AI upskilling programme, so that more of our people and specially the small businesses we serve can benefit from the opportunities AI will bring.

We're also the second biggest recruiter of apprentices in the country behind the armed forces, and when accolades for our commitment to nurturing future talent. We're radically simplifying our portfolio, doing fewer things better, and can you believe it we've already shrunk the number of products by more than a third and we will keep going.

We're removing legacy, reducing costs complexity and our energy consumption of our networks, by migrating 1.2 million customers off old analogue copper with 2 million to go during this year and before January 2027, when the old PSTN will be shutting down.

Supporting this we're running awareness campaigns and outreach programme for vulnerable customers as well as launching new products like battery backup for digital landlines. Of course, to enable the best connectivity products we need the best IT systems powered and personalised by data and AI. Our IT complexity believe it or not is now at a 20-year low, but there is much more to do here so we can deliver even better colleague and most importantly customer experiences across all the touch points that we have with all of you.

And as we drive our own digitalisation and the country's we'll make sure that we don't leave anyone behind. We're working pro-actively to close the digital divide, helping more than 280,000 people improve their digital skills just last year alone and we're the leader in social tariffs supporting over 900,000 customers who need it.

Where we connect, we will also protect, like no one else. We're helping safeguard critical national infrastructure. We're blocking tens of millions of fraud, scams and nuisance calls and texts as well as cyber threats and we're helping families navigate on-line risks and harms leading the way with smart phone guidance for under sixteens and our free tools like the EE PhoneSmart licence.

So, what does all of that mean when I bring it altogether? Well, our refreshed strategy sets us up to win and will bring benefits to all of us, our customers, our colleagues, the country, and you our owners, as we become the UK's most trusted connector of people, business and society. By winning for all and executing on our strategy we aim that by 2030 we'll have the most satisfied and loyal customers, the most engaged and empowered colleagues, we'll be positively impacting the country as a whole with 30 million premises able to access full fibre and 98 per cent of the population able to access 5G and we'll be generating £3 billion in free cashflow annually delivering superior shareholder returns.

To conclude, I'm clearly pleased with the progress we've made this past year and the clarity of what we're now aiming to achieve in the years ahead, but as I said there is much more to do and I remain impatient to push on harder and faster as I am excited about what's to come.

BT is not just a business. We're a national asset, a digital enabler, a force for good. We know we haven't always got everything right, but we're listening, we're sharpening our focus, we're delivering, and we're making BT a company that we are proud to work for, and you are proud to own.

So, thank you for your continued support, your confidence and your belief in us. Together we're all creating a better BT for all of us. And I would now like to hand back to Adam.