Investing in a better tomorrow
Our digital impact and sustainability strategy

1. Building better digital lives
   - Reach 10m people in the UK with help to improve their digital skills, by end of 2025/26
   - The UK Government’s Digital Strategy includes giving everyone access to the digital skills they need

2. Championing human and digital rights
   - Keep people secure online, protect privacy and free expression, and support efforts to tackle modern slavery
   - The UK Government is committed to tackling the crime of modern slavery that affects an estimated 40m people globally

3. Tackling climate change and environmental challenges
   - Adopt a sector-leading approach to climate action, with a target to become a net zero carbon business by 2045
   - The UK Government’s target is to achieve net zero emissions by 2050

Supporting the UK’s ambitions
- The UK Government’s Digital Strategy includes giving everyone access to the digital skills they need
- The UK Government is committed to tackling the crime of modern slavery that affects an estimated 40m people globally
- The UK Government’s target is to achieve net zero emissions by 2050

Contributing to the UN Global Goals
- 4.3 + 4.4: Quality Education
- 5b: Gender Equality
- 9.1 + 9c: Industry innovation and infrastructure
- 8.7: Decent work and economic growth
- 10.2: Peace, justice and strong institutions
- 16.10: Life on land
- 12.5 + 12.7: Responsible consumption and production
- 13a: Climate action

Supported by strong foundations
- Behaving ethically
- Developing diverse talent
- Keeping our people safe and healthy
Our ambitions

Building better digital lives

Reach
10m people
in the UK with help to improve their
digital skills by end of 2025/26

PROGRESS
2.8m people
reached since 2014/15

Tackling climate change and environmental challenges

Become a
net zero carbon
emissions business by 2045

PROGRESS
243 Ktonnes
CO₂e emitted in 2019/20
(18.6% reduction on last year

Enable customers to reduce their
carbon emissions by at
least three times
the end-to-end carbon impact of
our business by 2020/21

PROGRESS
3.1:1 achieved
in 2019/20 – one year early

Cut our
carbon emissions
intensity by 87% by 2030/31

PROGRESS
42% reduction
since 2016/17

Reduce carbon
Emissions by 42% from our
supply chain
by 2030/31

PROGRESS
8% reduction
achieved since 2016/17

Buy
100%
of our electricity worldwide from
renewable sources by the end of
2020, wherever markets
allow

PROGRESS
92%
Of our worldwide electricity
consumed is renewably sourced
(and we’re at 100% for directly
purchased electricity in the UK)

BT Group plc Digital Impact and Sustainability
Building better digital lives

Investing... in skills for tomorrow

We want to help everyone make the most of technology and thrive in our increasingly digital world. We’re empowering people with the skills they need today, for a better tomorrow.
Helping everyone make the most of technology

Skills for Tomorrow

By the end of 2025/26, we aim to empower 10m people through enabling them to have the skills they need to make the most of life in a digital world.

• Our Skills for Tomorrow online portal is a gateway to free courses and guidance, covering everything from getting started and staying safe online to digital skills for working lives.

• We’ve launched new partnerships to sponsor over 70 Online centres and support one million small business owners.

• We’re growing our long term standing programmes, such as Barefoot Computing and Work Ready.

Our Skills for Tomorrow work helps support the United Nations Sustainable Development Goals:
Preparing children to succeed in a digital world

Two-thirds of children who started school in 2016 are likely to do jobs not yet invented. We’re helping them gain the skills they’ll need to think, learn and thrive in a digital world.

Our Barefoot Computing programme gives teachers the resources and skills to bring computing lessons alive. Run with Computing at School (CAS), the Barefoot website has been accessed by teachers from the majority of primary schools across the UK.

We’ve trained more than 85,600 teachers and reached 2.8m children in the UK since 2014/15

We aim to increase this to 5 million in line with our wider ambition to improve the skills of 10m people by 2025/26

Over 250 of our colleagues supported Barefoot this year, and we enhanced the training for our volunteers

This year, a network of 78 expert CAS ambassadors began introducing teachers to a wider set of digital skills
Getting young people ready for work

By 2022, the UK will need **half a million more workers in digital industries** than in 2018. Our Work Ready programme is designed to help reduce inequalities and to bridge this gap.

The training I received was very, very helpful. It helped me with my CV, my interview technique, the way I portrayed myself and communicated. It’s real life skills that you need in the real world. I was nervous at first, but the mentor managed to break the ice. It’s made me think of a long-term career and it gave me the opportunity to get where I am now.

*Jordan George,*
Work Ready graduate and Openreach trainee engineer

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We work with young people, including 18-24 year olds not currently employed or in education to empower them to take the first steps onto the career ladder.

Over 600 Work Ready participants shadowed Openreach engineers this year.

We offer participants mock interviews, advice on how to improve their CVs and promote themselves online.

Since the programme began in 2014, over 3,300 young people have graduated from Work Ready. 1,891 have gone on to further education, apprenticeships, or jobs. Of these, 183 have landed full time jobs with BT.

We’ve been named ‘Employer of the Year 2020’ by the charity Movement to Work, in recognition of our Work Ready results broadening the scope and helping more people in different ways.

This year’s pilots, led by more than 130 BT and Openreach volunteers, produced promising results. As part of the programme, young people were given the opportunity to work in a simulated tech start-up environment and gain insights into coding, user experience and managing online safety.

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786 young people started Work Ready in 2019/20

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BT Group plc Digital Impact and Sustainability
Supporting people and businesses through the Covid-19 crisis

We have an essential part to play in keeping people and businesses connected through the global Covid-19 pandemic.

We’re coordinating with the UK Government, and we communicate local government guidelines in all the countries in which we operate globally, to support our customers, colleagues and local communities.

Partnering with the UK National Emergencies Trust.

£5 a month cap
We’ve placed a cap on call charges for our most vulnerable BT landline only customers.

Temporary lifting of data cap on broadband usage.
Helping families build digital confidence

BT is a founding partner of child online safety organisation Internet Matters. Together, we promote activities to protect young people online.

- With Internet Matters, we’ve made training and resources available via our Skills for Tomorrow portal to enable parents to build their confidence about the digital world. This includes tips on how to explain online risks to children and deal with sensitive topics like cyberbullying.
- Parents can use the portal to find out how to set filters and controls to manage privacy, limit screen time and restrict access to inappropriate content.
- We offer crash courses on how teens use technology – from social media and popular apps to gaming and livestreaming – and how to help them do so safely.
- We supported Safer Internet Day again this year, which is a public campaign that aims to get people talking about using tech responsibly. On the day, we announced the launch of our new Set Up Safe service. This enables parents to set up spending limits and content locking for their children’s smartphones and offers recommended safety profiles for different ages.

74% of parents want more advice to help keep their child safe online

I think it’s imperative that every parent takes a look at the Skills for Tomorrow portal if their children are on the internet. One really good tip was that unless you’re happy to walk around with whatever you’re putting on the internet on your T-shirt, for everyone to see, then don’t put it out there. The portal also suggested a family contract, which I thought was a great idea.

Nicki Mayer,
Mother-of-two
Tackling the digital divide

As many as 11.9m UK adults lack the essential digital skills needed for day-to-day life. Those who need most help getting connected – including older and more vulnerable people and those without internet access – are often isolated and don’t know where to start.

• We’re sponsoring face-to-face training sessions in local community Online Centres, coordinated by our partner, Good Things Foundation.

• We’ve launched training at 20 Online Centres this year and another 50 centres are in the pipeline. Openreach will be sponsoring training for an additional 2,500 people.

• Our customer service teams and our 900 new Home Tech Experts, who visit homes to help set up devices, are able to support people with additional needs. For customers with disabilities, we offer accessibility advice and products through our Including You website.

• We also sponsor the annual Tech4Good Awards to promote accessible product development.

Good Things Foundation is thrilled to be working with BT to help fulfil our shared vision where everyone benefits from digital. The BT Skills for Tomorrow programme means Online Centres can provide more vital face-to-face support to enable 60,000 socially excluded people to gain essential digital skills and live more fulfilling lives.

Emma Ward,
Head of digital social inclusion, Good Things Foundation
Supporting businesses in the digital economy

The UK's 5.6 million small businesses are the engines of communities and the backbone of the economy. To continue to thrive as 5G coverage increases and tech becomes even more central to running a business, they need to know how to make the digital world work for them.

- We're teaming up with partners like Google Digital Garage and LinkedIn Learning to offer free online and face-to-face training to people running and working in a variety of small businesses.

- By the end of 2025/26, we aim to reach one million small business owners and their employees across the UK, as part of our 10 million goal.

- This year, we hosted five regional events in Birmingham, Bristol, Glasgow, London and Manchester. Hundreds of entrepreneurs learned tools and techniques for business success. Topics included digital marketing, online visibility, and using social media and data analytics to reach new customers.

- We’ve also launched a new partnership with Small Business Britain (SBB) to work with, support and engage small businesses across the UK.

BT is going further to support small businesses. We’re not just meeting their connectivity needs, we’re also offering free support to help small businesses understand what technology can do for them and to improve their digital skills.

This is good for them, good for national productivity and good for BT.

Gerry McQuade, CEO, Enterprise
Using our global reach to boost digital skills

Around 150m school-age children in India are illiterate, contributing to a youth skills crisis. We’re partnering with the British Asian Trust (BAT) to help meet this challenge.

The programme harnesses technology to break down social barriers and improve students’ prospects. Its prime focus is to empower over 100,000 adolescent girls through tech-enabled interventions.

We’re also backing the Quality Education India Development Impact Bond (DIB), which aims to improve learning outcomes in literacy and numeracy for more than 200,000 children aged between five and 13 across India. In its first year, the DIB has already reached over 100,000 girls and boys and enabled 30% more children to achieve basic education skills.

In a separate programme with our long-term partner Katha, we’ve helped 200 young adults in India train as digital entrepreneurs. With their new skills, they’ve developed an interactive tech platform to reach an anticipated 300,000 more young learners.

This year, we began two new initiatives with Unicef. In South Africa, we aim to embed science, technology, maths and digital skills development in primary schools through the Technokidzz programme. And in Brazil, we’re focusing on digital skills development for young people and helping them become social innovators in their communities.
Championing human and digital rights

Investing... in a safer digital future

We work to support and respect human rights – both on and offline – for everyone affected by our business.
Respecting people’s rights on and offline

Everyone is entitled to **basic human rights and freedoms**. We work to support and respect the rights of our colleagues, supply chain workers, customers, the communities where we operate and anyone else affected by our business.

**Respecting human rights in our own business and beyond**

- We’re committed to respecting human rights in our business and through our broader relationships. BT was an early signatory of the UN Global Compact and we follow the UN Guiding Principles on Business and Human Rights.

- Our [human rights policy](#) sets out our approach to human rights. It’s supported by the [BT ethics code](#) that guides all our colleagues to recognise and respect the dignity and equality of everyone we work with.

- Our people complete mandatory annual training on human rights as part of their training on the ethics code.
Sourcing with human dignity

More than 14,000 direct suppliers in nearly 100 countries provide products and services to support our business – to the tune of around £13.8bn this year.

Respecting human rights in our own business and beyond

• We expect our suppliers to share our commitment to respecting human rights. To sell to us, they must commit to our Sourcing With Human Dignity labour standards or equivalent, as well as our standards on climate change, environment, ethics, health and safety, and product stewardship.

• This year, we identified 95 high and medium-risk suppliers that we needed more information from to better understand the risks and assess whether to take further action. In 53 cases, we undertook on-site assessments and we track progress on any issues identified to check improvements are being made.

• Also this year, we’ve audited more of our suppliers’ suppliers (our Tier 2) and some Tier 3 suppliers that were identified as high risk.
Tackling modern slavery

Partnering to lead change

We work with other leading companies and experts involved in Tech Against Trafficking to explore new and better ways to use technology to combat modern slavery.

The Group has so far identified more than 300 existing solutions, and aims to accelerate development of those with the most potential to have a greater impact.

Our partnership with the anti-slavery charity Unseen continued this year. Unseen runs the UK Modern Slavery Helpline and Resource Centre, offering 24/7 advice and support to anyone who calls.

Our annual Modern Slavery Statements can be viewed at bt.com/modernslavery

Protecting privacy and free expression

We work with other tech companies and human rights organisations to understand and respond to evolving challenges in this area through the Global Network Initiative (GNI). We’re committed to the GNI Principles on Freedom of Expression and Privacy and this year we assessed our performance against these in order to present our findings to the GNI Board.

This year, we renewed our partnership with the Marie Collins Foundation (MCF).

The support we’ve received from BT over the past five years has enabled us to meet the recovery needs of many children and young people who have been harmed online, through the promotion and delivery of our Click: Path to Protection training programme for professionals. BT has doubled the funding for this project for a further three years in recognition of the impact our work has on upskilling professionals to better identify, understand and respond to child victims of online harm.

Tink Palmer, CEO, Marie Collins Foundation
Tackling climate change and environmental challenges

Investing... in a cleaner tomorrow

We’ve been leading on climate action for more than 25 years. Now we’re going even further to help tackle the climate emergency – and other environmental challenges.
Leading on climate change

Now we’re accelerating action to reduce our carbon intensity by a further 87% by 2030/31, in line with the latest science to keep global warming to 1.5°C above pre-industrial levels. By 2045, we aim to be a net zero carbon emissions business.

Case Study

Climate risks and opportunities for our business

We support the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). See our ‘Task Force on Climate-related Financial Disclosures (TCFD)’ section of the appendix.

Case Study

BT is a uniquely active and progressive member of the Aldersgate Group. It has delivered on all its key environmental targets to date and has now taken on an industry leading target of net zero emissions by 2045. BT also invests significant time in helping strengthen the UK’s climate policies, including contributions to numerous policy reports from the Aldersgate Group.

Nick Molho,
Executive director, Aldersgate Group
Road to net zero

Switching on to renewables

• BT consumes nearly 1% of the UK’s entire grid electricity supply and have long been a pioneer in the use of renewable supplies. We’re part of the RE100 campaign and using our purchasing power to drive the market for renewable power.

Decarbonising our buildings

• Shrinking carbon emissions across the 6,000 buildings in our UK operations can reduce our footprint significantly. Besides the switch to renewables, we’re reducing energy use and emissions from our heating and cooling systems.

Transitioning to a low carbon fleet

• Almost 34,000 vehicles in our fleet – accounts for two thirds of our operational emissions.

• We’re committed to transitioning from diesel and petrol vehicles to those that run on electricity and alternative fuels.

• As part of the EV100 campaign, we’ve launched an industry EV Coalition to highlight the need for progress towards fleet decarbonisation.

Our performance

• 100% of the electricity we directly purchase in the UK is renewably sourced, of which 16% is from our Power Purchase Agreements.

• This year, we invested £45.3m in energy management projects in the UK, which cut operating costs and contributed to a global energy reduction of 65GWh (2.3%). Overall our investments have saved us £343m since 2009/10.

• We cut the total Scope 1 & 2 emissions from our global operations by 18.6% this year to 243 Ktonnes of CO₂e.

• Since 2016/17, we’ve reduced our carbon intensity by 42% – on our way to our 87% reduction target for 2030.
Our journey to net zero emissions

- **Set first carbon emissions reduction target**
- **Launched plan to cut emissions intensity by 80% by 2020**
- **BT Better Future Supplier Forum goes live**
- **Announced 3:1 Net Good carbon abatement target**
- **Reached 80% reduction target set in 2008 four years early**
- **Launched new target to reduce carbon emissions intensity by 87% by 2030**
- **Pledged net zero carbon emissions by 2045**
- **Achieved 3:1 carbon abatement target one year early**

**Emissions increase following EE acquisition**

- **80% renewable electricity**
- **87% renewable electricity**
- **92% renewable electricity**

**87% reduction required from 2016/17 baseline**

- **Further 13% reduction required to become ‘net zero’**

**Long term targets**

- **40% renewable electricity**
- **95% renewable electricity**

**1** Greenhouse gas emissions scopes 1 & 2

**2** Science Based Target initiative – intensity target – measured as scope 1 & 2 emissions tonnes per £m gross value added (GVA). From 2017 baseline of 31 tonnes per £m GVA
Driving action on climate change in our supply chain

Over two-thirds of our end-to-end carbon emissions come from our supply chain. Our key suppliers include global corporations with large carbon footprints. Together, we’re demonstrating leadership by curbing emissions and paving the way for others to follow.

Pioneering climate contracts
We’re asking key suppliers to commit to cutting emissions by building an innovative climate clause into their commercial contracts with us.

We also encourage key suppliers to follow our example by moving to clean green electricity.

Setting supplier standards
All our suppliers must meet procurement standards that include criteria on energy consumption and environmental performance. We monitor compliance, alongside our requirements on sourcing with human dignity.

Our performance
Our goal is to reduce scope 3 emissions from our supply chain by 42% from 2016/17 levels by 2030/31. So far, we’ve worked with suppliers to achieve an 8% reduction to 3m tonnes.

We are pleased to support BT with practical steps to reduce carbon emissions throughout the supply chain. Combining best practice energy efficiency measures from two experienced companies delivers not just carbon reductions and a more sustainable supply chain, but also a highly competitive supply chain which benefits everyone, creating real shared value.

Cormac Whelan, CEO UK & Ireland, Nokia

12 of our key suppliers have signed up so far and we’ve opened discussions with several more

This year, 181 (up from 157 last year) of our larger suppliers have made the switch to renewable electricity
Helping our customers to cut carbon

£5.5bn of our revenue this year was generated from products and services that helped customers avoid using c.13m tonnes of carbon emissions.

Our 3:1 ambition

We will help customers reduce carbon by three times...

...BT’s end-to-end carbon emissions

Our progress

Measured in tonnes of CO2e

<table>
<thead>
<tr>
<th></th>
<th>12.8m</th>
<th>12.4m</th>
<th>11.5m</th>
<th>10.1m</th>
<th>7.8m</th>
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</thead>
<tbody>
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<td>Upstream supply chain</td>
<td>69%</td>
<td>69%</td>
<td>69%</td>
<td>69%</td>
<td>69%</td>
</tr>
<tr>
<td>Our own operations</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Customers using our products</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
</tr>
</tbody>
</table>

We’ve achieved our 3:1 goal one year early
Supporting a circular economy

Getting drastic on plastics

We launched a new plastics policy this year. In it, we’ve set a goal to ensure that by the end of March 2025, 100% of the plastic packaging we procure and send to customers can be reused, recycled or composted.

Giving old equipment new life

This year, we introduced a clause in new BT customer contracts to incentivise return of products and reduce electronic waste. Customers are informed that they will incur a fee if they don’t return home hubs and TV set-top boxes at the end of their contract. By refurbishing and recycling used equipment, we will reduce the amount of e-waste going to landfill sites.

Managing our waste

In the UK, where most of our operations are, we recycle or recover almost all our waste. We produced around 40.5 Ktonnes of waste this year worldwide. 96% of that global waste was recovered or recycled (99.5% in the UK).

It’s important for us to understand the levels of air pollution in the city as it can have a huge impact on the health and wellbeing of people who live and work here. We are exploring use of the new BT sensors alongside a number of initiatives already in place to measure air pollution and improve air quality.

Professor William Bloss, University of Birmingham, who leads the West Midlands Air Quality Improvement programme
Our business starts with our colleagues. If they thrive, we thrive. We’re investing in diverse talent to help us serve our customers and innovate for the future.
Developing a diverse and inclusive workforce

We value the unique skills and experience that every individual brings to BT. We want all our colleagues to progress with us, so helping them develop the skills they need to excel is an important part of our commitment to Skills for Tomorrow.

Championing diversity and inclusivity

We aim to create a workforce that reflects all aspects of society. We’ve created a centre of excellence for diversity and inclusion, and provided extensive training for senior managers to embed culture and drive progress across BT. We’ve launched an ethnicity rapid action plan, capturing the energy of the recent wave of protest and debate, and challenges us to be better.

Our colleague networks support people and help create an inclusive workplace, with backing from executive sponsors.

Partnering to promote inclusion

We’ve signed up to both the UK Trans in the City Charter and the UN’s LGBTI Standards of Conduct, which aim to eliminate discrimination against LGBT+ colleagues in the workplace. We’re also a corporate member of Stonewall and joined the Valuable 500, as part of our commitment to embedding disability inclusion across our business.

Our new 4-3-3 partnership with the Football Associations of the UK home nations, aims to make football more inclusive.

Developing diverse talent

As one of the UK’s leading private sector employer of apprentices, this year, we took on almost 3,800 new apprentices, 13% of them women. We also welcomed nearly 500 new graduates, 32% of them women.

Our TechWomen programme also continues to help women in key commercial, operational and technical roles develop their careers.

By the end of March 2020 almost 1,700 women had completed, or were progressing towards completion of the programme.

We’re building the pipeline for senior roles through our Future Leaders programme. More than 200 colleagues have completed the programme, and a further c.200 colleagues are nearing completion – and 35% of them have already taken on management roles.

We’ve set objectives to increase the number of women in senior roles:

<table>
<thead>
<tr>
<th>Developing a diverse pipeline</th>
<th>2018/19</th>
<th>2019/20</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of women on the Board</td>
<td>27% (3 out of 11)</td>
<td>33% (4 out of 12) as of July 2020</td>
<td>33% by end of 2020/21</td>
</tr>
<tr>
<td>% of women in leadership (top 100 positions)</td>
<td>26%</td>
<td>29%</td>
<td>30% by end of 2020/21</td>
</tr>
<tr>
<td>% of women in senior management (top 600 positions)</td>
<td>31%</td>
<td>35%</td>
<td>40% by end of 2020/21</td>
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</table>
Acting with integrity

We expect everyone at BT to share our values. Our ethics code offers clear guidance to help everyone who works for, with, or on behalf of BT make the right decisions.

Building awareness

- Colleagues are expected to complete annual training on The BT Way and 99.4% did so this year. This includes some new role-based training that we’ve introduced for customer-facing colleagues working in our contact centres and Openreach engineers.
- During Global Ethics Day in October 2019, senior executives shared their personal stories about ethical dilemmas through our internal online team platform.
- In the latest Your Say survey, 93% of BT colleagues agreed that we do business ethically, up six points from last year.

Speaking up and acting on improper behaviour

- Our one-stop web page, Tell Us, gives colleagues all the information they need to report an ethical issue or ask a question.
- Our confidential Speak Up helpline enables colleagues, contractors, agency workers and suppliers to report concerns wherever they are in the world – anonymously where local laws allow.

Paying our taxes

Our tax strategy explains how we deal with tax affairs and commit to paying our fair share. We paid £147m in corporation tax this year and the One Hundred Group 2019 Total Tax Contribution Survey ranked us the sixth highest contributor in the UK.