



BT Group Carbon Reduction Plan 2026

We've been a leader on climate and sustainability action for over 30 years and set one of the world's first science-based targets in 2008. We've been 'A' rated on climate by CDP for the past ten years running.

In FY22, we accelerated our net zero plan by pledging to be a net zero emissions business by the end of March 2031 for our own operations, and by the end of March 2041 for our supply chain and customer emissions.

Our net zero plan includes near and long-term science-based targets (validated by the Science Based Targets initiative (SBTi)) and time-bound KPIs which are in line with limiting global warming to 1.5 degrees.

Our metrics and progress

Metric	Progress against metric
By 31 March 2031, to cut our absolute carbon emissions by 90%, compared to 2016/17 levels ¹	61% reduction
By 31 March 2031, we aim to transition the majority of our fleet to zero emissions or electric vehicle (EVs) models	7,900+ EVs rolled out (EVs now represent 29% of our total fleet)
By 31 March 2031, to be a net zero carbon emissions business (Scopes 1 and 2)	523,132 tonnes of CO ₂ e
By 31 March 2031, to reduce our supply chain carbon emissions by 42%, compared to 2016/17 levels ²	33% reduction
By 31 March 2041, to be net zero for our supply chain and customer carbon emissions ³ (Scope 3)	2,504,064 tonnes of CO ₂ e
Support our customers to decarbonize through our products and services - cumulative carbon emissions savings since FY22	10,004,819 tonnes of CO ₂ e saved
By 2030, build towards a circular BT, and a circular tech and telco ecosystem by 2040	See our Responsible Business Addendum (page 7)

¹ Based on an absolute reduction in tonnes of CO₂e (carbon dioxide equivalent) in operational emissions (Scopes 1 and 2 greenhouse gas emissions).

² Supply chain emissions: Scope 3 - categories 1 to 8 (inclusive).

³ Customer carbon emissions: Scope 3 - categories 11, 12 and 13.

BT's near-term (Scopes 1 and 2) goal is aligned to a 1.5 degree pathway and aims to reduce the absolute carbon emissions of our operations by 90% by the end of March 2031.

This is supplemented by our ambition to reduce our supply chain emissions (Scope 3 categories 1-8) by 42% by the end of March 2031. We also commit to reach net zero greenhouse gas emissions across our full value chain by the end of March 2041, reducing our absolute Scope 1, 2 and 3 emissions by 90% and neutralising any residual emissions with carbon removals.

All of these ambitions have been validated and approved by the SBTi.

In 2025, we published our first Climate Transition Plan⁴, which lays out in detail the objectives, strategy and governance required to help us decarbonise our business, manage climate related risks and support economy wide transformation.

Steps we're taking to decarbonise and reduce our operational and value chain emissions

Operational emissions (Scopes 1 and 2):

Fleet

BT and Openreach together operate one of the UK's largest commercial fleets. We have over 27,000 vehicles on the road (the majority of which are in Openreach) which keep the nation connected. Nearly 20% of our operational emissions (Scopes 1 and 2) come from our fleet. We're working hard and investing to convert the majority of our fleet to electric or zero emissions vehicles by the end of FY31, where it's the best technical and economic solution, and will pursue other ultra-low emission solutions where electric vehicles (EVs) are not viable.

This year, we continued to roll out electric vehicles (EVs), increasing the total to over 7,900, which now represents 29% of our total fleet. This continued electrification has supported our reduction in fossil fuel-related emissions from our fleet by 15% compared to FY25.

To support our growing EV fleet, we've installed nearly 4,000 charge points in operational sites and at our engineers' homes, adding over 500 more this year. We've announced a partnership with myenergi, to support the rollout of EV chargers at engineers' homes, to ensure sufficient charging infrastructure for our EV fleet, as well as expanding our commercial charging partnerships with Sainsburys' Smart Charge, their nationwide EV charging network. We've also updated our company car policy, so that all new business-needs car orders are now EV-only. BT and Openreach have continued to work with others to advocate, through groups such as EV100, for policy measures to support the transition to electric vehicles.

Purchasing renewable electricity, energy efficiency and transforming our buildings estate

In FY25 we changed our approach to renewable electricity procurement and reporting, due to concerns over transparency, lack of environmental benefits and price volatility around Renewable

⁴ Our Climate Transition Plan is published at <https://www.bt.com/about/digital-impact-and-sustainability/our-approach/our-policies-and-report/climate-transition-plan>

Energy Certificates (RECs). We highlighted these in a 2024 report we commissioned with Cornwall Insight⁵.

We support renewable power supply through our energy procurement. That includes long-term power purchase agreements (PPAs), which met 34% of our UK electricity demand this year. Due to the evidence highlighted in that report, we've scaled back on buying unbundled RECs to those only sourced directly from our PPAs and renewable supply contracts.

To more accurately reflect the real-world emissions from our electricity consumption, we use the location-based methodology as the basis for our SBTi-approved operational carbon reduction ambition. This reflects the average emissions intensity of grids on which electricity consumption occurs and doesn't account for RECs.

Beyond our electricity procurement approach, we're also reducing our energy consumption by decarbonising our buildings and networks. In FY26, we cut our global energy consumption by a further 226 GWh compared to last year, a 9% drop. Our workplace transformation programme is based on a move to fewer, more sustainable and efficient buildings.

Value chain emissions (Scope 3)

Supply chain

Nearly 70% of our end-to-end carbon emissions come from our supply chain. We're engaging with suppliers to curb their emissions and ours. All our suppliers must meet our requirements on climate and environmental management, along with other generic standards (groupextranet.bt.com/selling2bt). We also apply a mandatory 20% weighting on environmental and social sustainability criteria in all competitive sourcing events over £2m.

We encourage our top suppliers to join us in reporting climate-related data to CDP to enhance transparency and accountability. Today, suppliers representing more than 63% of our supply chain emissions are reporting to CDP.

We've updated our supplier environmental standard, which encourages suppliers to commit to decreasing carbon emissions, setting 1.5C-aligned science-based targets, publicly disclosing those targets, reporting progress annually, and engaging with their own suppliers on climate action and carbon reduction.

We continue to collaborate with major Openreach build partners through a supplier engagement programme, supporting them through workshops and webinars to encourage carbon emissions reporting and to promote ways to reduce their own emissions.

We are active members of [JAC \(Joint Association for CSR\)](#) which is an industry association of 32 global telecom operators which is driving the sustainable transformation of the ICT supply chain. The climate change and circular economy working group focuses on tackling a key challenge of the sector – reducing value chain (Scope 3) emissions. The group is committed to sharing best practices, defining good supplier standards, building capacity and driving collaboration.

Customer use of products

Our networks and products also play a big part in tackling climate change, with decarbonisation of the grid also playing an important role in reducing the emissions associated with the use of our

⁵ [Reviewing the future of REGOs for Corporates](#) report, based on independent research carried out by Cornwall Insight, commissioned by BT

products and services. We work closely with suppliers to improve the energy efficiency of our networks and products. We have published our Carbon Enablement Methodology, which provides detail on how we calculate the annual emissions we help our customers avoid through key products and services which we offer.

Future Carbon Reduction Initiatives

In the future we plan to implement further measures, including:

Operational emissions (Scopes 1 & 2):

- Continued focus on reducing our energy usage, improving energy efficiency and supporting UK renewable generation through long-term PPAs and on-site generation.
- Continue to transition our fleet towards electric or zero-emission vehicles
- Transforming our buildings estate and networks, by:
 - Consolidating many of our offices from old, inefficient buildings into new ones designed to minimise environmental impact through energy-saving features
 - Implementing cost-effective low-carbon heating solutions for our existing buildings
 - Investing in more efficient and resilient cooling systems
 - Removing legacy equipment from our exchanges and decommissioning legacy networks
 - Optimising network energy efficiency through AI and Machine Learning

Value chain emissions (Scope 3):

- Continue to engage with our key suppliers on reducing their carbon footprints, for example:
 - Implementing specific carbon reporting and target requirements with key Openreach Network Service Agreement suppliers
 - Encouraging suppliers to disclose to CDP to aid reporting transparency and tracking
 - Supporting suppliers to produce product carbon footprints for the equipment we purchase and build emission reduction plans
- Continue engaging with other organisations through industry association such as GSMA and JAC, and wider business engagement through organisations such as CDP, Climate Group and Aldersgate.

Low-carbon economy

- Helping customers reduce their carbon emissions through using technologies that enable reductions in personal or work-related travel, and that are more energy-efficient, such as FTTP, 4G/5G, cloud computing and IoT.
- Building towards a circular business by 2030 and a circular tech ecosystem by 2040, by:
 - Reshaping our products and packaging by using fewer and lower-impact materials, make devices last longer, and boost reuse and recycling by customers
 - Scaling up device lifecycle management solution to maximise the recovery of devices for future reuse and redeployment
 - Using materials more efficiently and recovering as much waste as we can from our network and estate
 - Utilising software updates over hardware updates to reduce resource use
 - Collaborating with others to accelerate the transition to a circular tech sector.

Governance and assurance

We set out below the Board and sub-committees that review our climate-related plans and progress on a regular basis.

Board oversight on climate change:

The Board has overall responsibility for how we identify and manage climate-related risks. Climate change issues are managed and monitored by committees to assist the Board in executing its responsibilities.

The *Responsible Business Committee (RBC)* has overseen our climate change strategy, programme and goals on behalf of the Board, and monitored progress on our long-term responsible business goals, including climate change and net zero. As of FY27, as sustainability is fully embedded in our business strategy and across BT, oversight will move from a standalone committee to the Board, with the Audit & Risk Committee taking responsibility for climate-related risks, controls and reporting. More detail is included in our 2026 Annual Report available at bt.com/annualreport.

The *Audit & Risk Committee* monitors and assesses our risk management system (which includes climate risks) on the Board's behalf.

Management's roles and responsibilities

Our Chief Executive is ultimately responsible for our environmental policy and performance including climate-related issues.

The *Executive Committee (ExCo)* sets operational strategy on climate change and sustainability. It also monitors associated progress, performance and risks – supported by our Responsible Business team.

Our *Group Health, Safety & Environment (GHSE)* sub-committee manages a range of risk and compliance issues (including climate change) on behalf of the ExCo.

In the UK, our most significant environmental risks are managed by the Environmental Management Compliance working group. It meets each month and reports to the GHSE every quarter. Its members are senior managers responsible for addressing environmental risks and improving performance under our ISO 14001-certificated environmental management system.

External reporting and assurance

Each year, we report progress on our climate and environmental ambitions in our ARA. As part of this, we report under the Task Force on Climate related Financial Disclosures (TCFD) framework and its recommendations relating to governance, strategy, risk management and metrics. These disclosures are externally verified to a 'reasonable' level of assurance, in accordance with the internationally recognised ISAE 3000 standard.

Alignment with financial planning

We include our investments in renewable electricity, transforming our buildings estate, energy efficiency and transitioning to a low carbon fleet in our Medium-Term Plan (MTP). Our MTP considers

both capital expenditure (CAPEX) and operating costs (OPEX) over a rolling five-year timeframe. CAPEX is assessed over the asset lifetime.

Our TCFD climate scenario analysis considers short, medium, and long-term horizons that matches our investment timeframes. It also influences our strategy, ambitions and plans for responding to the bigger risks and transitional implications of climate change.

Stakeholder engagement

We must keep meeting our shareholders' sustainability expectations. So, we talk with them regularly and incorporate feedback into our strategy through our investor relations team – including discussions on our ESG performance.

We check customers' preferences. We reflect this in how we engage with them and how we talk about our climate progress in customer communications and bids. We will continue to report on our performance each year as part of the ARA and through this Carbon Reduction Plan.

Baseline year and current year emissions

We have reduced our operational emissions (Scope 1 & 2) by 61% compared to the baseline year (FY17 – year-ending 31st March 2017). We have also cut our supply chain emissions (scope 3 categories 1-8) by 33% and our total Scope 3 emissions by 39% over the same period.

	FY17	FY24	FY25	FY26	% change
Scope 1 & 2 GHG Emissions ^[1]	tonnes CO2e	tonnes CO2e	tonnes CO2e	tonnes CO2e	vs FY17
Scope 1 GHG emissions	181,903	160,715	151,647	126,803	-30%
Scope 2 GHG emissions (location-based method)	1,167,025	519,017	503,118	396,330	-66%
Scope 2 GHG emissions (market-based method) ^[2]	222,878	4	358,732	365,428	64%
Total Scope 1 and Scope 2 GHG emissions (location-based method)	1,348,927	679,731	654,765	523,132	-61%
Total Scope 1 and Scope 2 GHG emissions (market-based method)	404,780	160,719	510,379	492,231	22%
Scope 3 GHG Emissions					
1. Purchased goods and services	2,137,267	1,781,013	1,662,388	1,641,981	-23%
2. Capital goods	475,870	275,814	258,552	238,917	-50%
3. Fuel- and energy-related activities	279,988	196,096	189,106	150,871	-46%
4. Upstream transportation and distribution	103,758	8,295	10,763	9,833	-91%
5. Waste generated in operations	6,269	3,869	9,386	2,966	-53%
6. Business travel	56,904	17,113	18,181	10,615	-81%
7. Employee commuting	51,776	52,787	38,760	30,819	-40%
8. Upstream leased assets	52,609	5,297	23,065	27,639	-47%
9. Downstream transportation and distribution ^[3]	0	0	0	0	
10. Processing of sold products	0	0	0	0	
11. Use of sold products	819,629	390,541	207,907	176,391	-78%
12. End-of-life treatment of sold products	627	1,631	413	515	-18%
13. Downstream leased assets	149,861	236,958	272,651	213,516	42%
14. Franchises	0	0	0	0	
15. Investments	0	0	0	0	
Total Scope 3 GHG emissions	4,134,559	2,969,415	2,691,172	2,504,064	-39%

Notes:

[1] Excludes tenants/ 3rd parties' consumption

[2] From FY25 our renewable electricity strategy has changed: unbundled renewable energy attribute certificates (REAC's) are no longer purchased to achieve 100% renewable electricity. Our market-based renewable declarations are now only from PPA's and contractual agreements.

[3] Category 9, 'Downstream transportation and distribution', is not applicable to BT. Product distribution is either included in the supplier contract or provided through postal services. The associated carbon would be included in Category 1; Purchased Goods and Services' figures, where this is included as part of overall service, or Category 4: Upstream transportation and distribution, where purchased as a separate service.

Disclaimer

The numbers presented throughout this report may not visually sum precisely to the totals provided and percentages may not precisely reflect the absolute figures due to rounding.

Declaration and Sign Off

This Carbon Reduction Plan has been completed in accordance with PPN 006/25⁶ and associated guidance and reporting standard for Carbon Reduction Plans.

Emissions have been reported and recorded in accordance with the published reporting standard for Carbon Reduction Plans and the GHG Reporting Protocol corporate standard⁷ and uses the appropriate Government emission conversion factors for greenhouse gas company reporting⁸.

Scopes 1 and Scope 2 emissions have been reported in accordance with SECR requirements, and the required subset of Scope 3 emissions have been reported in accordance with the published reporting standard for Carbon Reduction Plans and the Corporate Value Chain (Scope 3) Standard⁹.

This Carbon Reduction Plan has been reviewed and signed off by the board of directors (or equivalent management body).

Signed on behalf of the Supplier:



Edward Heaton

Director

British Telecommunications plc

Date: June 2026

⁶ <https://www.gov.uk/government/publications/ppn-006-taking-account-of-carbon-reduction-plans-in-the-procurement-of-major-government-contracts>

⁷ <https://ghgprotocol.org/corporate-standard>

⁸ <https://www.gov.uk/government/collections/government-conversion-factors-for-company-reporting>

⁹ <https://ghgprotocol.org/standards/scope-3-standard>