



We connect for good



BT Group plc
Diversity and Inclusion Report
2022

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Foreword from Philip Jansen



Philip Jansen
Chief executive

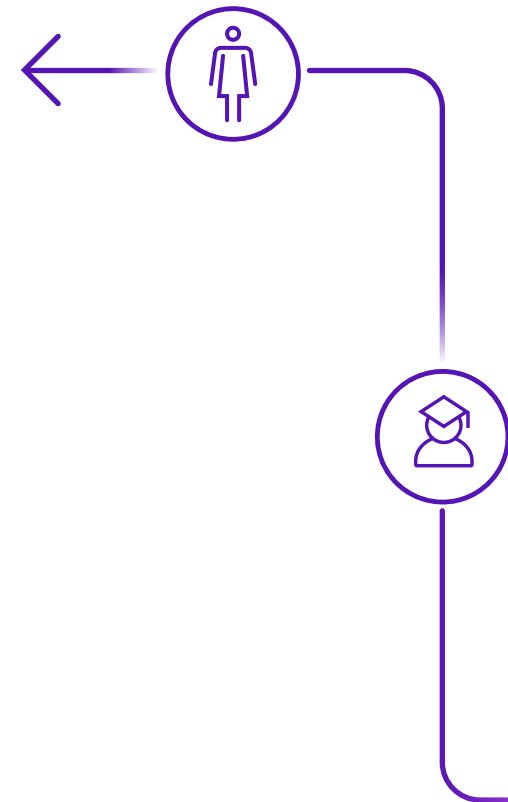
Across BT Group, we are committed to embedding diversity and inclusion into everything that we do. It remains fundamental to our purpose: we connect for good.

During the year in review, we launched the BT Group Manifesto, setting out how we will accelerate growth through responsible, inclusive and sustainable technology. Diversity and Inclusion makes up one of the three pillars of our Manifesto because we recognise that becoming a more diverse and inclusive business will help us drive productivity, innovation and growth for BT, the UK and beyond.

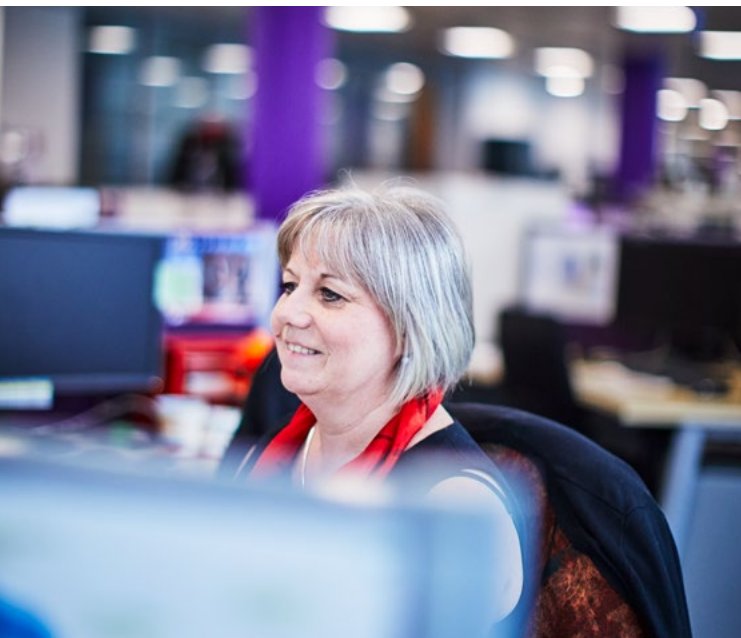
At an overall workforce level, we have made gradual progress on representation year on year. In a challenging labour market we have improved our position on ethnic minority representation, but we have remained relatively static on measures relating to gender and disability. At senior levels we have made stronger gains across all three areas. In order to hit our 2025 targets and 2030 ambitions, we will need to intensify our efforts in the attraction, recruitment, promotion and retention of diverse talent.

To that end we introduced a new talent programme, 'Accelerate' to support and develop our female and ethnic minority colleagues. Additionally, we have overhauled our approach to graduate and early careers recruitment to ensure we develop and grow a pipeline of diverse talent, building a better BT for the future where everyone feels valued.

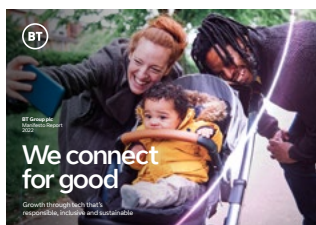
This report sets out the work we are doing across BT Group to reach these goals and to better represent all the customers we serve. The diversity and inclusion agenda remains a priority for BT Group plc's Board, my executive leadership team and for me personally. Only by being open, honest and transparent will we – and society at large – make progress in tackling the inequalities that still remain and so vitally need addressing.



Overview



In 2021, we launched a **BT Group Manifesto**, a group-wide plan to focus and accelerate our efforts to build a better business for our customers, the economy and society at large.



Find out more at
**[bt.com/about/
digital-impact-
and-sustainability/
our-approach](https://bt.com/about/digital-impact-and-sustainability/our-approach)**

Ensuring our growth is responsible, inclusive and sustainable, our new Manifesto is a vehicle for telling the story of what a bright, sustainable future looks like, how we connect for good and BT's leadership as a stakeholder business. It also ensures we have a voice on issues that will shape our future growth and success.

The BT Group Manifesto outlines our ambitious goals for change across three core beliefs:

Responsible:

We believe new technology must earn trust and transform life for the better. That's why we aim to become the world's most trusted connector of people, devices and machines.

Inclusive:

Our push to become a more inclusive business will never stop. That's because we know that the future of tech must be inclusive and diverse for everyone to benefit.

Sustainable:

Climate action momentum has never been greater, but the world needs us to move faster. We have already switched to renewable electricity, and now we are pushing further ahead, developing innovative solutions to speed up decarbonisation and progress towards a circular economy.

We know that we have a responsibility to lead the way in ensuring our workplaces and communities are truly inclusive. We recognise that Diversity and Inclusion (D&I) is not just a 'nice thing to do', it's critical to our growth. Our commitment to D&I remains resolute and unwavering.

Our inaugural workforce and leadership targets, announced in 2021 in relation to attracting, recruiting and retaining women, people from ethnic minority groups and disabled people, reflect our commitment to making BT Group fully diverse and inclusive.

Understanding our targets

All of our targets for women in this report relate to our global workforce, whereas our targets for ethnic minority, Black and disabled colleagues relate only to our UK colleagues. The different legislative frameworks, that vary from country to country, and cultural factors where we operate, prevent us from being able to collect and process accurate data in relation to ethnicity and disability outside of the UK. Throughout the report, all data relating to ethnicity and disability is based on declared data only.

In order to be as purposeful and stretching as we can, we have set different targets for women, ethnic minority and disabled colleagues for different parts of our business.

These include targets for the whole of BT Group (including Openreach), targets for the leadership teams across BT Group, including Openreach, and targets for BT Group, excluding Openreach. We have deliberately made these distinctions due to the significantly different colleague demographics within Openreach, which are more typical of an engineering business.

Overview
continued

Our 2030 ambitions

By 2030, we aim to have a workforce made up of:

| | BT Group (excl. Openreach) | Openreach | BT Group (total) |
|---|-------------------------------|-----------|------------------|
| Women ¹ | 50% | 13% | 33% |
| Ethnic minority colleagues ² | 25% | 10% | 17% |
| Disabled colleagues ² | 17% | 6% | 12% |

1 Global workforce.

2 UK workforce only due to data limitations and based on declared data only.

Overview continued

Our targets for 2025

To help guide progress towards our 2030 ambitions, we have set targets for 2025. These targets have been aligned with population projections, shaped by our evidence-based approach to D&I, and developed for areas in which we currently have robust colleague diversity data. Our business units have used a common, robust methodology and set of assumptions to establish accurate baselines and confirmed targets that are ambitious yet achievable. When we have achieved diversity data benchmarks for other groups, we will explore opportunities to set broader diversity targets.

We are making gradual progress towards achieving our 2025 D&I targets and 2030 ambitions.

Our diversity targets provide one way to measure the progress we are making towards becoming a truly diverse and inclusive business. However, we know that targets alone are not enough. The D&I interventions that we are delivering to create a culture in which everyone feels included are focused on three areas: recruitment and attraction, better conversion rates and improved retention of our existing talent.



Find out more in our 'Ambitions into action' section on **pages 15–42**.



| | | 2025 targets | As at 31 March 2022 |
|-------------------------------|----------------------|--------------------|---------------------|
| BT Group (excl. Openreach) | Women | 46% | 34.9% |
| | Ethnic minority | 16% | 11.9% |
| | Disabled | 14% | 6.9% |
| Openreach | Women | 12% | 10.3% |
| | Ethnic minority | 10% | 9.4% |
| | Disabled | 6% | 6% |
| BT Group (total) | Women | 32% | 25.7% |
| | Ethnic minority | 13% | 10.8% |
| | Disabled | 10% | 6.5% |
| Board | Women | 33% | 36.4% |
| | Ethnic minority | 2 members at least | 2 members |
| Executive Committee | Women | 33% | 36.4% |
| | Ethnic minority | 2 members at least | 1 member |
| Senior Leadership teams | Women | 41% | 26.1% |
| | Ethnic minority | 15% | 8% |
| | Black/Black heritage | 5% | 0.0% |
| | Disabled | 10% | 5.3% |
| Senior Management teams | Women | 41% | 35.3% |
| | Ethnic minority | 15% | 10.4% |
| | Black/Black heritage | 5% | 0.8% |
| | Disabled | 10% | 4.5% |

All of our data and targets relating to women in this report represent our global workforce, whereas our data and targets for ethnic minority, Black and disabled colleagues relate only to our UK colleagues and is based on declared data only.

Overview continued

Recruiting and supporting women

To enable us to attract, recruit and retain more women, we have designed and delivered a range of initiatives including **Accelerate**, a new talent programme for high potential middle managers that incorporates our previous Tech Women programme and provides a fast stream for women. We had an initial cohort of 220 women participating.

Elevate, our talent programme for our senior managers had 161 women participating, with access to inclusive leadership content delivered by an external supplier. Participants also had opportunities to mentor other colleagues.

Ground-breaking research into gender-neutral language in advertising that was commissioned in Openreach in 2021 led to revamped job adverts. An innovative subsequent campaign successfully attracted 300% more women to engineering roles.

Of the 3,275 new apprentices that joined us in the UK, 19% were women. Building on the success of our partnerships with Code First Girls, we have sponsored Nanodegree, an intense 13-week learning bootcamp for women who want to pursue a career in data, software, or as a full-stack developer. All participants can subsequently join BT Group in paid roles.

The overall BT Group UK gender pay gap figures, which capture all entities within scope, have increased this year to 6.7% at median and 5.0% at mean, versus 5.0% and 4.9% in 2020, respectively.

Our UK gender pay gap is driven by the low representation of women in senior roles. Although fewer than 24%¹ of our overall workforce are women, a far smaller proportion hold senior management and leadership roles (upper pay quarter) and a much greater proportion hold administrative and contact centre roles (lower pay quarters).

220

We have an initial cohort of **220 female colleagues** participating in **Accelerate**, a new talent programme that incorporates a fast stream for women.

300%

Our Openreach advertising campaign successfully attracted **300% more women** to engineering roles.

19%

Of the 3,275 new apprentices that joined us in the UK, **19% were women**.

¹ This is the number of colleagues that were 'full pay relevant' at the snapshot date and were included as part of the gender pay gap methodology as stipulated by the regulations.

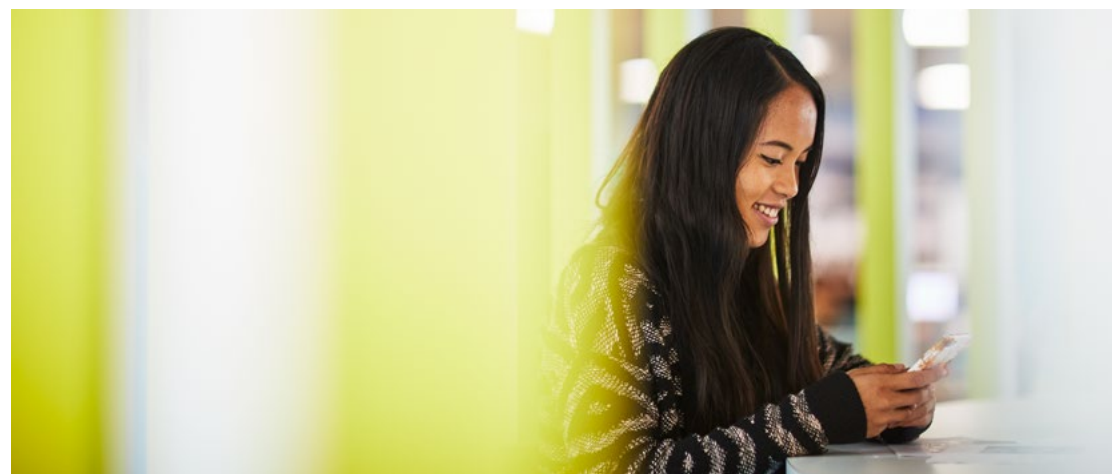
While our gender pay gap sits below the telecommunications industry (19.6%) and UK (15.4%) median averages (Office for National Statistics estimated data for 2021), one of our goals is to increase the percentage of women in more senior, higher paid roles as this will reduce our gender pay gap.

We have worked to meet and exceed the FTSE Women Leaders' previous target of having 33% representation of women on FTSE 350 boards (FTSE 100 and FTSE 250 companies), and in executive committees and their direct reports by the end of 2020. 36.4% of our Board members, Executive Committee members, and 26.1% of our senior leadership teams are women.

To ensure we support and retain more women, we have signed the **Menopause Workplace Pledge**, signifying our commitment to support all colleagues affected by menopause in the workplace. Our Gender Equality Network (GEN), which is co-sponsored by Simon Lowth, our Chief financial officer, and Harmeen Mehta, our Chief digital and innovation officer, continues to play a critical role in helping us identify innovative ways to support colleagues.

36.4%

We have worked to meet and exceed the FTSE Women Leaders' previous target of having **33% representation of women on FTSE 350 boards and in executive committees**, and those who report directly to them, by the end of 2020. Women make up 36.4% of our Board and Executive Committee.



Overview continued

Ethnicity and Black inclusion¹

We recognise the importance of having diverse ethnic representation at all levels across the business. We now have two Board directors from ethnic minority backgrounds, exceeding the Parker Review target for FTSE 100 Boards to have at least one director from an ethnic minority background by the end of 2021.

To help increase the number of diverse hires into executive level roles, we insist on diverse longlists and shortlists for senior level roles. Our **Accelerate** fast stream programme has 156 colleagues from ethnic minority backgrounds participating in the first cohort and we have partnered with an external supplier to provide external senior mentors for ethnic minority participants.

Elevate, the talent programme for our senior manager population had 51 ethnic minority colleagues. Participants were provided with opportunities to access inclusive leadership content, delivered by an external supplier, and mentor other colleagues.

A revamped graduate recruitment campaign and early careers strategy has led to an increase in the intake of ethnic minority graduates with 41% of new graduate joiners coming from ethnic minority backgrounds, an increase on 29% last year. Our Black and Black heritage graduate intake increased from 4% to 12%. This year, in the UK, 20% of our new BT apprentices and 18% of our new Openreach apprentices were from ethnic minority backgrounds, with 7% in BT and 5.4% in Openreach identifying as Black. These figures are an improvement on last year's intake when ethnic minority apprentices made up 16% of our new intake.

¹ All data relating to ethnicity is based on declared data only. Due to data limitations, it only relates to the UK workforce.



Sixty Black middle managers have also been provided with the opportunity to participate in an external initiative, the **McKinsey Black Leadership programme**. A new partnership with **10,000 Black Interns**, an organisation that works with employers across a wide range of industries to offer paid work experience and training to young Black people in the UK has resulted in an initial pilot programme where we will be offering paid internship places to participants.

We continue to build on our successful partnership with the **Aleto Foundation**. The annual immersive leadership programme saw 417 delegates attending, supported by 33 BT mentors.

In partnership with **Business in the Community (BITC)**, we delivered a Manifesto for Action Race Equality event, providing an opportunity for leaders from all sectors to have important discussions about how we can all contribute to ensuring we achieve racial equality in society and in our workplaces. Also in attendance were Philip Jansen, Marc Allera, CEO of our Consumer business unit and, Adrian Joseph OBE, Chief data and AI Officer.

156

Our Accelerate fast stream programme has **156 colleagues from ethnic minority backgrounds** participating in the first cohort.

10,000

A new partnership with **10,000 Black Interns**, an organisation that works with employers across a wide range of industries to offer paid work experience and training to young Black people in the UK.

In 2020, we reaffirmed our commitment to tackling racial injustice by launching our **Ethnicity Rapid Action Plan (ERAP)**, with four commitments: 'Accelerating diversity within'; 'Educating and empowering our people'; 'Leading by example' and 'Building transparency'.

We have continued to make progress across all four commitments, including rolling out mandatory **Let's Talk about Race** training to all colleagues. More than 250 virtual workshops have been delivered to Executive Committee members, senior leadership and management teams, people managers, and key HR colleagues. More than 81,000 non-manager colleagues have also accessed the digital learning option. Our **Ethnic Diversity Network (EDN)**, which has Marc Allera as its Executive Sponsor, continues to act as a strategic D&I partner, working with leaders and teams across the group.

Overview continued



Disability inclusion¹

BT Group is a member of **Valuable 500**, a global business collective made up of 500 CEOs and their companies that are committed to disability inclusion. In 2021, we launched our **Disability Rapid Action Plan (DRAP)**. This plan is our Valuable 500 commitment to accelerate the pace of progress we are making to support disabled and neurodiverse colleagues, and those that have an impairment or a long-term health condition.

We renewed our status as a **Disability Confident Leader** and worked with several teams across the business, our **Able2 People Network** and external partner, the **Business Disability Forum (BDF)**, to focus on four key DRAP areas: attraction and recruitment, diversifying our talent by broadening our **Accelerate** talent programme, end-to-end reviews of our workplace adjustment processes, and training and awareness raising initiatives. Howard Watson, our Chief technology officer, is the Executive Sponsor for Able2.

An inclusive design approach has shaped **The Better Workplace Programme (TBWP)** to ensure we provide brilliant workspaces that are inspiring and fully inclusive. Disabled colleagues, **BDF**, and an external inclusive design consultant were all engaged to help us deliver new workplaces that are accessible and meet the needs of disabled and neurodiverse colleagues.

Our **Accessibility, Inclusion and Disability (AID)** group, that coordinates our approach to inclusivity across all our brands (BT, EE and Plusnet) and products, refreshed the support we provide to our customers and colleagues. More than 17,000 advisers have completed training to learn about the wide range of issues that could have a negative impact on our colleagues and customers.

¹ All data relating to disability is based on declared data only. Due to data limitations, it only relates to the UK workforce.

Wider inclusion/intersectionality

Throughout 2021, we continued to deliver mental health campaigns and initiatives aimed at educating colleagues, destigmatising mental health issues, and raising awareness of the support available to all colleagues. We also successfully delivered the global rollout of our **Peer-to-Peer Support Network**, a team of volunteers who make themselves available, in confidence, to talk and listen to colleagues who are seeking wellbeing support.

Our approach to D&I is evidence-based and intersectional, recognising that our colleagues and customers have diverse needs and intersecting identities.

Collaborations between our People Networks have enabled the successful delivery of various events and campaigns that aim to educate our colleagues about D&I issues. For example, International Men's Day was celebrated with a series of events that explored the challenges some men might face inside and outside the workplace including caring responsibilities, men's health and breaking cultural stereotypes of masculinity. These events involved our **Able2 Network**, **EDN** and **Carers Network**.

To continue to effectively support our colleagues with caring responsibilities, we have worked to achieve **Carer Confident Level 2: Accomplished Status**, so we consistently benchmark the support and resources we provide.

We are one of the largest recruiters of armed forces veterans in the UK and, as a signatory of the **Armed Forces Covenant**, with an **MOD Gold Employer Recognition Award**, we remain committed to supporting the armed forces community.

Overview continued



17,000

More than 17,000 advisers have completed training to learn about the wide range of issues that could have a negative impact on our colleagues and customers.

To ensure colleagues are not disadvantaged because of their sexual orientation or gender identity or both, we support the **United Nations Standards of Conduct** for business on tackling discrimination against LGBTQI+ people. We are also a partner of **Trans in the City Charter**, an open collaboration between global organisations to further the inclusion of transgender, non-binary and gender diversity in business by raising awareness. This year, our D&I Centre of Expertise worked with several external partners and our **Pride People Network** to deliver events aimed at educating colleagues about LGBTQI+ allyship, and trans and non-binary inclusion.

Looking ahead

We are excited that we will be able to build on increased levels of engagement with, and awareness of D&I across the business to deliver an ambitious D&I strategy. The data-driven initiatives and strategies we implement over the year ahead will be designed to support our colleagues and address representation demands, in order to create a workplace culture of inclusivity that values, respects and leverages diversity. Alongside targeted efforts to attract, recruit and retain women, ethnic minority colleagues and disabled colleagues, we will maintain an intersectional approach to ensure we continue to build an inclusive culture.

Our work to facilitate social mobility by providing employment and development opportunities for people from socio-economically disadvantaged backgrounds will also gather pace. To ensure all D&I interventions and initiatives meet the diverse needs of our customers and colleagues, we will always benchmark our efforts against existing external best practice and aim to exceed current inclusivity standards.

About BT Group

Our Purpose: To connect for good.

The technology we develop helps us bring people together and build connections. We know that we are in a position of responsibility. We believe there are no limits to what people can achieve when they connect.

Our Values: Personal, simple, brilliant.

Our values are what guide us towards fulfilling our purpose. They inform our culture. They reflect who we are and who we aspire to be.



About BT Group continued

How we're organised

BT Group comprises customer-facing units (CFUs), technology units (TUs) and corporate units (CUs). Openreach is a CFU but manages much of its business separately to meet regulatory requirements. In the rest of the group, we have an integrated operating model that shares common assets like our mobile network, technology, colleagues and brands – helping us efficiently deliver the best outcomes for our customers.

The role of our CFUs

Consumer

Serves individuals and households through three brands – EE, BT and Plusnet. Together they mean that BT Group is the UK's largest consumer mobile, fixed and converged communication provider. We have a relationship with over 45% of UK households, helping them communicate, study, work, learn, play and be entertained.

Enterprise

Helps businesses of all sizes across the UK and Republic of Ireland reach their digital goals. Our 1.2m customers range from big household names, Government departments and public sector organisations, to small businesses and start-ups. This year Enterprise was reorganised to focus more sharply on small office and home office (SoHo), small and medium enterprises (SMEs), large corporates and public sector, and wholesale customers. And we launched our Division X unit to develop innovative solutions for our business customers.

Customer-facing units

Our four CFUs design, market, sell and service differentiated customer solutions, with each focusing on a different segment. They drive growth by delivering outstanding customer experience and differentiated solutions and outcomes.

Technology units

This year we split our TUs into Digital and Networks to give sharper focus on transforming these areas and building a modern BT Group, fit for the future. Our TUs also lead our innovation and R&D activity.

Corporate units

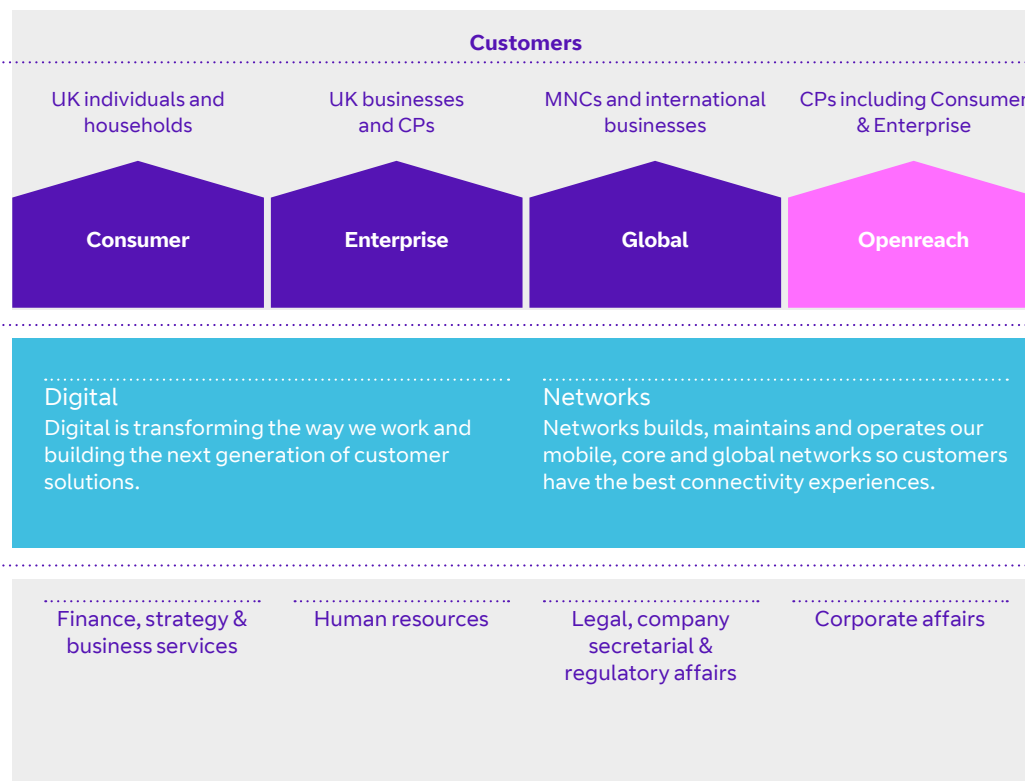
Our CUs support our CFUs and TUs with centres of excellence and provide group-level management and coordination. They give us efficiencies by sharing common activities and best practices.

Global

Serves multinational companies (MNCs) and governments. We have the ability to serve customers in around 180 countries. We integrate, secure, and manage network and cloud infrastructure, and offer security, collaboration and contact centre solutions to help our customers thrive in an increasingly digital business environment.

Openreach

In line with our regulatory Commitments, Openreach is a CFU but has greater strategic and operational independence. Openreach operates our fixed access network and is building the next generation of full fibre infrastructure. It manages the fixed network connecting homes, mobile masts, schools, shops, banks, hospitals, libraries, governments and businesses to the world. Openreach serves 690 CPs within the UK who then sell fixed access services to end customers.



About BT Group continued



Our overarching strategy

We aim to grow value for our stakeholders through three pillars:

Looking in:

We are building the best converged network, so our customers can do more, and promoting a culture in which our people can be their best.

Looking out:

We will strive tirelessly to create standout customer experiences by connecting more people and developing even better products.

Looking to the future:

We know we have a responsibility to be a trusted partner to all our stakeholders and apply technological progress for the benefit of all.

Our D&I strategy

Our mission is to ensure that D&I at BT are key differentiators for our colleagues and customers and that we deliver a positive impact to wider society. We have five clear strategic priorities:

1

A balanced workforce that reflects diverse societies with a representative workforce that reflects the different regions in which we operate.

2

Inclusive design built into all products and customer offerings, creating differentiation for BT.

3

A consistent approach to inclusivity for colleagues and customers with a best practice inclusive design approach embedded into our policies, practices and offerings for our people and customers.

4

Improved outcomes for disadvantaged groups in society by using digital technology to connect for good and actively remove barriers to learning.

5

A strong external reputation for leading the D&I agenda through research and bold action, influencing others in the industry and sharing best practices.



Our approach to D&I



Jackie Beer
Diversity & Inclusion director

The seismic changes of the last few years have rightly led to a heightened awareness and a collective clamour for a better, fairer world.

It is no longer possible to deny or ignore the vastly different health and economic outcomes of diverse populations or be oblivious to the discrimination and injustice experienced by our Black and ethnic minority communities, women and disabled people.

Colleagues and customers alike now expect more from governments, society and businesses. At BT Group we recognise our responsibility to use all the levers at our disposal to build a better world for all and we want to do all we can to drive change.

Yet while diversity and inclusion initiatives are supported by many, we also know that hope, enthusiasm and support alone are not enough to deliver tangible changes. Achieving different, better outcomes for those of us who have had to endure discrimination and disadvantage for far too long requires all of us to make different decisions and choices and behaviours. It is self-evident that the same approach will yield the same outcomes.

In our second holistic Diversity and Inclusion Report we examine our fifth Gender Pay Gap and our second voluntary Ethnicity Pay Gap reports, as well as reflect on the initiatives launched in 2021 to drive progress. We have a particular focus on women, ethnic minorities and disabled people, for whom we have set stretching representation targets and ambitions.

However, diversity and inclusion is not simply a numbers game. Ensuring we represent our customers and are recruiting from the widest talent pool is clearly a measure of success, but we know the true benefits of a diverse workforce can only be harnessed in an inclusive working environment. Put simply, under-represented colleagues will only share their different views if they feel welcome to do so and, as our report shows, we have a broad programme of work to support our broader inclusion agenda and all of our under-represented communities.

We remain committed to the highest of expectations and while we have a long way to go, we want to ensure that all of our customers, our colleagues and the communities we serve feel included and welcome at BT Group.

Our approach to D&I continued

We have established an effective D&I governance process that ensures an inclusive approach, which values D&I, is consistently integrated when making key decisions:

Executive Committee members all champion D&I, acting as Executive Sponsors to our People Networks, supporting their purpose and work. Debbie White, HR director (interim) is accountable for D&I across BT Group, while Sabine Chalmers, the General counsel, company secretary and director regulatory affairs, is the Executive Committee Sponsor for our network groups.

Jackie Beer, our D&I director, heads our D&I Centre of Expertise which provides expert, specialist guidance, and develops the strategy, policies and frameworks for key D&I areas and activities.

D&I leads in our business units draw on the expert knowledge in the Centre of Expertise to translate policies and frameworks into deliverables within their units.

Our **People Networks** champion the concerns and priorities of their members, liaising regularly with the D&I Centre of Expertise and their Executive Committee Sponsors. The Networks regularly organise awareness raising events and put forward recommendations and proposals to enhance our D&I plans.

Trade Union representatives from **Prospect and the Communication Workers Union (CWU)** champion the concerns and priorities of their members through regular engagement with the D&I Centre of Expertise and Employee Relations team.

Our **Colleague Board** represents the views of our colleagues and works closely with the People Networks, the D&I Centre of Expertise, the Group HR director, and the General counsel to shape and influence D&I plans.



Ambitions into action

This section highlights the wide range of initiatives we are implementing to ensure we are in the best position to achieve our ambitions to make BT fully diverse and inclusive.

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Ambitions into action:

Recruiting and supporting women

Our 2021 mean pay gap, at 5%, has increased slightly since 2020 (4.9%) and our median pay gap at 6.7%, has also increased since 2020 (5%).



Overview

While these figures are below the national average of 15.4% median and 14.9% mean (Office for National Statistics estimates data for 2021), we recognise that our Gender Pay Gap is driven by the proportion of women in senior roles. At the gender pay gap snapshot date of 5 April 2021, fewer than 24%¹ of our overall workforce were women, with a far smaller proportion holding senior management and leadership roles.

While some of our D&I initiatives from last year have concentrated on attracting more women into areas of the business such as engineering, which have been dominated by men in the past, we are also working to ensure we increase representation of women in senior roles.

5%

2021 mean gender pay gap

6.7%

2021 median gender pay gap

¹ This is the number of colleagues that were 'full pay relevant' at the snapshot date and were included as part of the gender pay gap methodology as stipulated by the regulations.

Ambitions into action:

Recruiting and supporting women continued



36.4%

Women make up 36.4% of our Board and Executive Committee.

and Executive Committee, and 26.1% of our senior leadership teams are women.

Gender Equality Network

Our **Gender Equality Network** continues to play a critical role as we work towards having a diverse workforce by delivering educational initiatives and raising awareness. To celebrate **International Women's Day (IWD)**, the Network built on the IWD 2021 **#ChooseToChallenge** theme to celebrate women and deliver several awareness-raising events about gender equality.

To support the **D&I Glossary** that was developed last year by the D&I Centre of Expertise, the Network developed a **Gender glossary** to educate colleagues, encourage conversations and demystify gender-related terminology.

New joiners

An enhanced early careers attraction strategy has led to 39% of our graduate hires in 2021 being women. To raise awareness among women of the career opportunities at BT, we delivered a **Decoding Gender in the Workplace** event with EY as our partner organisation.



Leadership

We have designed and launched **Accelerate**, a new talent programme for high potential middle managers that incorporates a fast stream for women, formerly known as **TechWomen**. The initial cohort had 220 women participating. **Elevate**, our talent programme for our senior managers also had 161 women participating.

Our efforts to make sure women are represented in senior roles continue to produce positive results. As members of the **30% Club**, we are committed to having beyond 30% representation of women on all boards and executive leadership teams. We have worked to meet and exceed the **FTSE Women Leaders'** previous target to have women make up 33% of FTSE 350 boards, executive committees, and those who report directly to them, by the end of 2020. 36.4% of our Board



Ambitions into action:

Recruiting and supporting women continued

Menopause support

In 2021, we signed the **Menopause Workplace Pledge**, committing to taking positive action and supporting all colleagues affected by menopause in the workplace. Women make up 25.7%¹ of our workforce so there is a need to create workplaces where we can have conversations about the menopause. Working with our **Gender Equality Network (GEN)**, we delivered awareness raising events including Menopause Cafés and menopause education sessions.

Ireland

In the Republic of Ireland, the **Inspiring WoMen in Business Network** was set up by several alumni of our TechWomen programme. To celebrate **International Women's Day**, the network organised events that resulted in charitable donations being made through our **Give As You Earn** programme to three organisations: the **Dublin Rape Crisis Centre**, **Teen Turn**, and **ARC Cancer Support Centres**.

India

In India, we developed and delivered several initiatives to support women. These include discounted crèche facilities, breastfeeding rooms, free transportation to work for women, a **Maternity Buddy programme** – and a **Reignite** programme to support women returning to work after maternity leave. We have been able to achieve a maternity returner rate of higher than 90%.

25.7%

Women made up 25.7% of BT Group (total) workforce as at 31 March 2022.

90%

In India, we have been able to achieve a maternity returner rate of higher than 90%.



¹ Women made up 25.7% of BT Group (total) workforce as at 31 March 2022.

Ambitions into action:

Recruiting and supporting women continued



41.1%

In Enterprise, the proportion of female senior managers has increased to 41.1%.

300%

Watch Me campaign successfully attracted 300% more women to engineering roles.

Activities to recruit and support women in our business units

Consumer

Our Consumer unit has reviewed job descriptions and adverts to address gendered language that could dissuade women from applying. The subsequent attraction campaign resulted in improved representation by women in the number of new joiners, with 9% more women in retail and 8% more in Plusnet.

Steps have been taken to achieve proportional representation in talent development programmes such as **Aspire**, an internal career development pathway for frontline colleagues in our Consumer unit that was recognised as **People Development Programme of the Year (Private)** by **The Learning Awards** in 2021. As a result, 32% of **Aspire** places were filled by women – up from 27% the previous year with 130 women across Retail and contact centres on career pathways to more senior roles.

Enterprise

In Enterprise, the proportion of female senior managers has increased to 41.1% and we have appointed eight women into our senior management teams. A refreshed attraction marketing campaign has led to 57.8% of our graduate hires being women.

Our redoubled efforts to encourage more women to apply to **Field Engineer Apprenticeships**, resulted in an increase in applications from women. We have also reviewed the key recruiters we work with to ensure they meet our diversity recruitment expectations.

Global

In our Global unit, we delivered the **InSpiHer Women's Mentoring Pilot** for women in Global sales. More than 35 women from around the world participated, benefiting from opportunities to support and learn from each other. Learnings will shape a wider launch in 2022.

Openreach

In Openreach, there has been a significant focus on increasing the number of women engineers: 16% of trainee engineering hires were women compared to 12% the previous year. The field maternity process has been reviewed and updated so line managers and women engineers are better supported.

Ground-breaking research into gender-neutral language in advertising was commissioned by Openreach leading to revamped job adverts. The **Watch Me campaign** successfully attracted 300% more women to engineering roles.

Networks and Digital

To attract more women to technology roles, we built on the success of our initial partnerships with **Code First Girls** to sponsor **Nanodegree** opportunities.

Code First's Nanodegree is an intense 13-week learning skills bootcamp in software development that provides an opportunity for participants to receive job offers from sponsoring companies. Our initial cohort had 12 participants and the 2022 cohort has 16. Participants are provided with the opportunity to join BT in paid roles.

Ambitions into action:

Recruiting and supporting women continued



The year ahead

Our revised approach to talent management and recruitment will see our **Accelerate** talent programme grow to support more women into senior roles. The programme will also drive more targeted efforts to attract and recruit women into business units in which they are currently under-represented.

We will continue to address gendered language in job descriptions and adverts, have diverse shortlists for senior roles, and redouble our efforts to attract more women to Field Engineer Apprenticeships in our Enterprise unit, Engineering roles in Openreach and Sales roles in our Consumer unit. We will also build on relationships with external partners like **We Are The City**, **Black GirlsTech**, **Wellbeing of Women**, **CodeFirst Girls**, **CyberFirst**, and **Girls Talk**, in order to engage more women.

To ensure we retain and support our female colleagues more successfully, we plan to carry out listening sessions to uncover and address any barriers to career progression or potential drivers of attrition. We will deliver a wide range of initiatives to educate colleagues about D&I topics including the menopause and how we support colleagues that are affected by menopause.

Outside the UK, we are scaling up **Reignite**, a programme developed to support women in India returning to work after giving birth. Building on lessons learnt from developing the Reignite pilot, we will expand this programme into Hungary. We will also roll out the **InSpiHer** women's mentoring programme across our Global unit and provide more mentoring opportunities for women across the business.

Ambitions into action:

Ethnicity and Black inclusion

In response to global anti-racism protests in 2020 that highlighted continuing racial inequalities in our societies and workplaces, we launched our Ethnicity Rapid Action Plan (ERAP) and announced four commitments and associated workstreams to accelerate ethnic diversity and inclusion across the group.

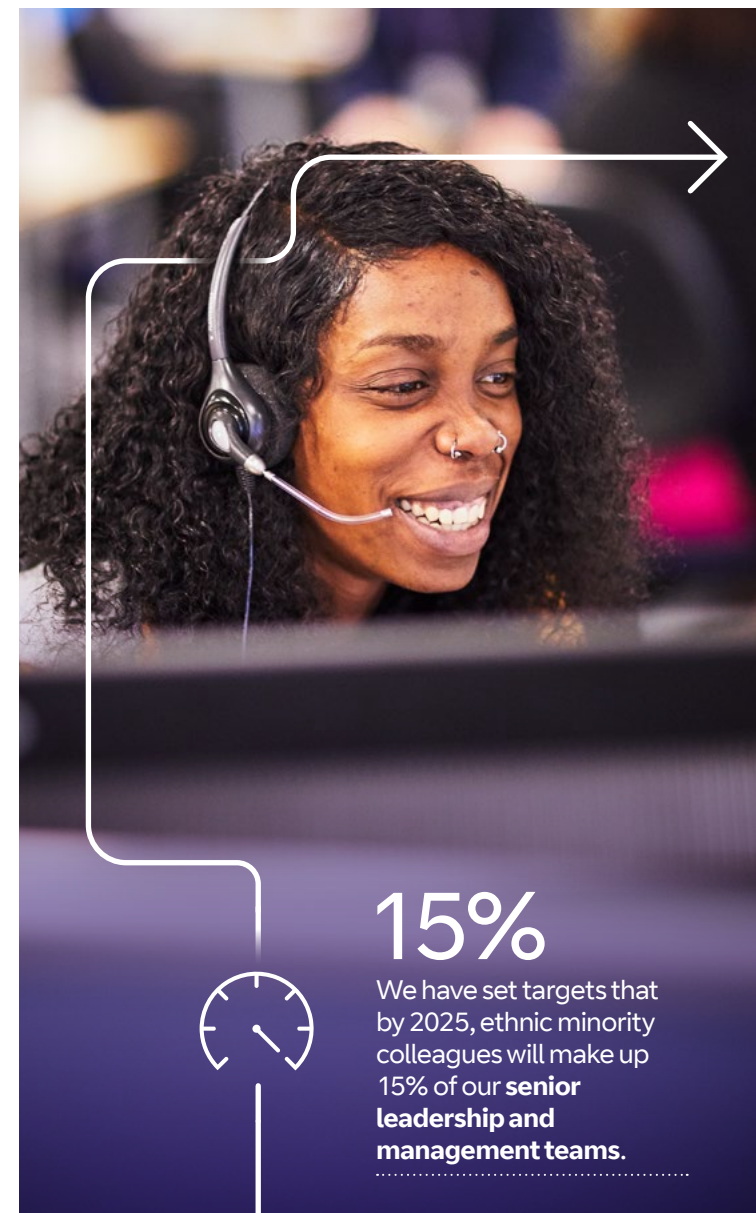
We have made progress across all our ERAP commitments as we work to attract, recruit and retain ethnic minority colleagues for a truly inclusive and diverse workforce.

Leadership

We want ethnic minority colleagues to be represented at the most senior level across the business. We now have two board directors from ethnic minority backgrounds, exceeding the Parker Review target for all FTSE 100 boards to have at least one director from an ethnic minority background by the end of 2021.

We have set targets that by 2025, ethnic minority colleagues will make up 15% of our senior leadership and management teams, with 5% being Black or of Black heritage. Ethnic minority colleagues currently make up 8% of our senior leadership teams and 10.4% of our senior management teams.

As part of our revised approach to attracting and recruiting into senior roles, we have worked with our executive search partners to establish diverse shortlists for senior level roles, with at least one applicant from a diverse category represented on each shortlist.



Ambitions into action:

Ethnicity and Black inclusion continued



Ethnicity Rapid Action Plan

As part of our **ERAP** commitments, we have worked with **APS Intelligence Solutions**, an organisation that designs and delivers interventions and solutions to workplace challenges, to develop and roll out mandatory **Let's Talk about Race (LTAR) training** to all colleagues. More than 252 virtual workshops have been delivered to senior colleagues while a digital learning option has been provided to all non-manager colleagues. More than 81,000 colleagues have accessed this digital option.

To reinforce all learning, toolkits with **LTAR conversation guides** have been developed to help colleagues structure follow-on conversations after training and more than 10,000 colleagues have visited the host pages. A variety of resources have also been provided for our leaders and colleagues to continue their race awareness education.

To ensure our HR professionals are knowledgeable and confident enough to provide post-training support to senior leaders and colleagues, John Amaechi of **APS Solutions** delivered a dedicated masterclass.

The new **Accelerate** fast stream programme for high potential middle managers has 156 colleagues from ethnic minority backgrounds participating in the first cohort. Under this programme, we have partnered with an external supplier to provide external senior mentors to support ethnic minority participants. Sixty Black middle managers have been provided with the

156

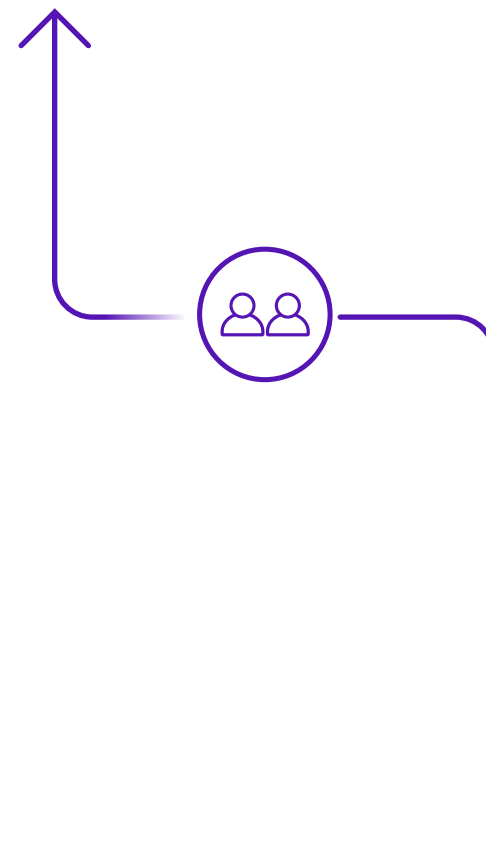
The new **Accelerate** fast stream programme has 156 ethnic minority colleagues participating.

100

Over 100 senior colleagues have taken part in our reverse mentoring programme.

opportunity to participate in an external initiative, the **McKinsey Black Leadership programme**. Participants will receive support with skills and career development. The programme has been supported by internal senior leader sponsorship and networking events.

The **reverse mentoring** programme that we launched in 2020 has seen all members of our Executive Committee matched with ethnic minority reverse mentors from across the business. More than 100 colleagues from our senior teams have now participated, with more than 500 reverse mentoring conversations contributing to shaping our D&I plans.



Ambitions into action:

Ethnicity and Black inclusion continued



11

The **EDN** collaborated with 11 other organisations to deliver the monthly **Spotlight Series**.

Ethnic Diversity Network (EDN)

The **EDN** continues to act as a strategic D&I partner, working with various teams and external partners including the **Aleto Foundation** and **Business in the Community (BITC)** to help deliver our strategy of being the best place to work. The Network delivered the first internal **Stand Together Awards** and worked with the **Pride Network** to deliver an intersectionality awareness-raising event during Black History Month.

1st

Hosted by Clare Balding, Seema Jaswal and Marc Allera, the **EDN** held the first **Stand Together Awards** that recognised colleagues that have consistently championed racial equality and greater inclusivity at BT.

The Network works with several teams to enhance colleague experience. An **EDN Early Careers division** was set up to help meet the needs of early entry graduates and apprentices, while the Graduate Recruitment Team was supported in an online recruitment initiative that was delivered with an external partner. The **East and Southeast Asian Network (ESEAN)** has been established. This is a platform designed to promote inclusivity and amplify the voices of our East and Southeast Asian colleagues.

Collaborating with 11 other organisations, the Network delivered the cross-organisation monthly **Spotlight Series**, which showcased senior leaders from ethnic minority backgrounds to help inspire colleagues.

The network launched the **EDN Local Champions and Allies** across different locations and business units, creating opportunities for conversations and shared learning in safe spaces.

It is a testament to their hard work that the **EDN** has received external recognition. The network was nominated as best Employee Resource Group at the **2021 Ethnicity Awards**, and two **EDN** committee members were shortlisted finalists in the **2021 Women in Tech Excellence Awards**.

In the US, the **Americas Culture Club** has been created. This is the People Network that supports colleagues across the Americas from differing backgrounds so that they can realise their full potential and contribute to our digital future.

Ambitions into action:

Ethnicity and Black inclusion continued

New joiners

This year, in the UK, 20% of the new apprentices joining BT were from ethnic minority backgrounds, with 7% identifying as Black. In Openreach, ethnic minority apprentices made up 18% of the new intake, with 5.4% of them identifying as Black. This is an improvement on last year when ethnic minority apprentices made up 16% of our new apprentices.

Our revamped graduate recruitment campaign and early careers strategy has led to an increase in the intake of ethnic minority graduates. 41% of our new graduate intake came from ethnic minority backgrounds, an increase on 38% last year. Our Black and Black heritage graduate intake also increased from 4% to 12%.

Partnerships

We continue to build on our successful partnership with the **Aleto Foundation**, a social mobility charity that provides employability training for young talent, predominantly from Black and ethnic minority backgrounds. The annual immersive **Leadership Programme** saw 417 delegates attending, supported by 33 BT mentors. Of the delegates that were invited to recruitment assessment centres after the programme, 50% were successful in receiving a job offer from us. A new dedicated winter programme also supported 55 **Aleto** candidates.

Our commitment to ethnicity inclusion extends beyond our workforce. We continue to work with **MSDUK (Minority Supplier Development UK)** – the UK's leading non-profit membership organisation driving inclusive procurement – to engage and attract ethnic minority businesses. We were Gold sponsor of the **MSDUK 2021 Conference and Awards**.



417

The annual Aleto Leadership programme saw 417 delegates attending, supported by 33 BT mentors.

10k

To improve the ethnic diversity of our talent pipeline, we have partnered with 10,000 Black Interns.

Ireland

BT Ireland was the first company in Ireland to sign up to the **Business in the Community Ireland's Elevate Pledge**, which is a public commitment to build an inclusive workplace that helps support everyone to thrive equally. As members of **Business in the Community (BITC) Ireland**, we support the **BITC Ireland Employment for People from Immigrant Communities programme (EPIC)** which aims to provide IT training to **EPIC** participants, so they are in a better position to secure employment.

Since 2008, we have trained nearly 2,000 **EPIC** participants and donated laptops to the programme for them to use. In 2021, BT Ireland volunteers trained 158 students from more than 30 countries including Afghanistan and Syria. Feedback from BITC Ireland indicates that 114 **EPIC** participants have secured jobs, while 38 have progressed to further training and apprenticeships.

Our Consumer business unit

To improve the ethnic diversity of our talent pipeline, we have partnered with **10,000 Black Interns**, an organisation that works with employers across a wide range of industries to offer paid work experience and training to young Black people in the UK. This partnership was spearheaded by Bridget Lea, Commercial MD for BT and EE. An initial pilot programme will see us offering a minimum of 10 paid internship places in 2022.

Openreach

In Openreach, 19.8% of our managerial hires were from an ethnic minority background, up from 14% last year, while 41% of our graduate hires and 16% of our trainee engineers were from ethnic minority backgrounds.

Ambitions into action: Ethnicity and Black inclusion continued

The year ahead

We will continue to work towards fulfilling our commitments under the **Ethnicity Rapid Action Plan (ERAP)** and as signatories to **Business in the Community's Race at Work Charter**. Our **Accelerate** fast stream programme will continue to grow to improve equality of opportunity in the workplace for colleagues from ethnic minority backgrounds. The reverse mentoring programme will progress into its second year with senior colleagues having conversations about ethnicity related issues in safe spaces.

We also aim to build on the progress we have made in attracting and recruiting ethnic minority graduates, interns, apprentices and senior colleagues. This will include having diverse shortlists for senior roles and strengthening the relationships we have developed with external partners like the **Aleto Foundation** and **10,000 Black Interns**. To ensure colleagues and line managers are better educated about race and ethnicity related issues so they can contribute to maintaining an anti-racist workplace, we will continue to roll out our mandatory race awareness training across the business.

Our Hispanic and Latino colleagues will also have the opportunity to join our Black colleagues on the **McKinsey Black Leadership programme**.

Ambitions into action:

Disability inclusion

Across BT Group, we use the social model of disability which looks at the barriers erected by society that prevent disabled people from being able to participate fully in day-to-day life.



Overview

By adopting the social model of disability, we seek to identify and remove these barriers to accessing work and living independently.

Valuable 500

To reinforce the importance of disability inclusion at Board level, in 2019, our Chief executive, Philip Jansen, signed up to **Valuable 500**. This global community of 500 business leaders and their companies is committed to recognising the value of the 1.3 billion disabled people across the globe by innovating for disability inclusion. In 2021, we launched our **Disability Rapid Action Plan (DRAP)**, our first new annual **Valuable 500** commitment to action.

1.3bn

As part of the **Valuable 500** we're committed to recognising the value of the 1.3 billion disabled people across the globe.

Ambitions into action: Disability inclusion continued

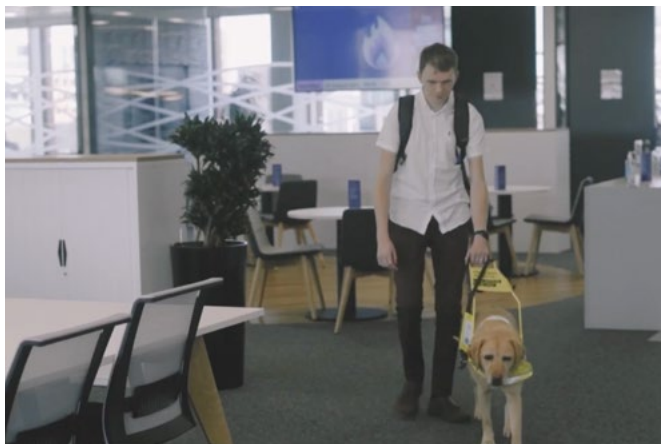
Disability Rapid Action Plan

We have worked with several teams across the business, our **Able2 People Network** and our key external stakeholder, the **Business Disability Forum (BDF)**, to deliver activities across four core **DRAP** workstreams:

Attraction and recruitment: We have reviewed our talent management processes. Initial work has involved establishing partnerships with two specialist disability portals, **Evenbreak** and **MyPlus**, to enhance our disabled talent pipeline.

Diversifying our talent: We are broadening our **Accelerate** fast stream talent programme to include support and development opportunities for disabled high potential colleagues. We have also expanded our successful reverse mentoring programme to include disabled colleagues. This will put us in a better position to retain disabled talent so that we are fully diverse at all levels.

Workplace adjustment processes: The UK's Equality Act 2010 places a duty on employers to make workplace adjustments to ensure disabled people aren't put at a disadvantage by employment arrangements or any physical features of the workplace. To go beyond what is legally required of us in supporting disabled colleagues we are conducting an end-to-end review of our workplace adjustments process. This will enable us to identify enhancement opportunities to improve both colleague and line manager experiences.



Training and awareness: To ensure all colleagues are knowledgeable about disability related issues and language, we have worked with disability experts like **GDI Hub**, Professor Amanda Kirby and Simon Minty to deliver a wide range of awareness-raising initiatives.

These have covered a wide range of topics including neurodiversity, introduction to disability and digital accessibility. We are developing additional inclusive design training with a focus on physical and digital accessibility, as well as colleague-facing content and systems.

* The Disability Confident scheme is run by the DWP and intends to give employers the techniques, skills, and confidence they need to recruit, retain and develop disabled people.

Disability Confident Leader

In order to assess our efforts, we have renewed our status as a **Disability Confident Leader** under the Department for Work and Pensions (DWP)'s Disability Confident scheme.* As members of the **Disability Confident Leaders group** and **PurpleSpace**, a networking and professional development hub for disabled colleagues and resource group leaders, we share disability inclusion best practice to influence wide-reaching disability strategy.

Able2 Network

Our **Able2 Network** continues to provide lived experience input into D&I plans. The network contributed to the design and development of our new workplaces under **The Better Workplace Programme (TBWP)** and delivered awareness-raising events across the business.

India

The launch of the **People With Disabilities (PWD) India Network** has seen a re-energised focus on disability inclusion in India. The network has led several initiatives to enable us to attract, recruit and retain disabled talent in India. This has included partnering with an NGO to raise awareness about disabilities and completing the India accessibility audit in line with India's Right of Persons with Disabilities Act, 2016.

Openreach

A **Neurodiversity People Network** has been launched in Openreach to ensure neurodiverse colleagues are well supported and contribute to shaping D&I plans and initiatives.

Ambitions into action: Disability inclusion continued

The year ahead

We remain committed to meeting and exceeding our responsibilities as a **Disability Confident Leader** that has made a **Valuable 500** commitment to drive system change. We will strive to create a business that is fully inclusive of all colleagues that are disabled, neurodiverse or have an impairment or long-term health condition.

We will continue to work to fulfil all DRAP commitments by improving our talent recruitment and management approach.

We will expand our **Accelerate** fast stream programme to include disabled colleagues. We will also enhance our workplace adjustment processes and continue to deliver educational and awareness-raising initiatives. In our Enterprise unit, we plan to hold engagement and listening sessions for disabled colleagues so we can gather feedback on what the business can do better to support and retain them.

Ambitions into action:

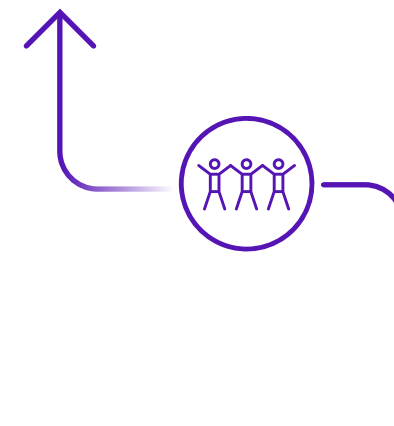
Partnering across our business to deliver inclusion

We believe that everyone has a role to play in making our business truly diverse and inclusive.



Overview

While the D&I Centre of Expertise oversees our overarching D&I approach, strategy and portfolio, the D&I leads in our business units translate policies and frameworks to manage local D&I initiatives. Several group-wide functions and teams deliver cross-organisational programmes and interventions aimed at making BT Group even more diverse and inclusive.



Ambitions into action: Partnering across our business to deliver inclusion continued

The Better Workplace Programme

In 2018, we announced plans to improve our workplaces across the UK with the footprint of more than 300 locations being consolidated to around 30 modern, future-fit buildings, incorporating corporate offices, contact centres and specialist sites. These ambitious plans comprise **The Better Workplace Programme (TBWP)**, which signifies our commitment to providing brilliant workspaces that are inspiring and fully inclusive.

TBWP has adopted an inclusive design approach with people at the heart of the design processes. While some existing buildings are being refurbished, a number of new offices are also being delivered.

Coronavirus continues to present challenges to how we all work with each other, but we remain committed to providing inclusive workspaces where all our colleagues can collaborate effectively.

In 2021, two new buildings were opened, in Birmingham and London (One Braham). Both buildings benefited from **TBWP**'s intersectional and inclusive approach to design. Consequently, they have exceeded the expectations of colleagues with diverse needs, neurodiverse conditions, impairments, and other long-term health conditions.

300

locations have being consolidated to around 30 modern, future-fit building.

2

new buildings were opened, in Birmingham and London (One Braham).



Several elements ensure that people remain at the heart of all TBWP spaces:

1. Inclusive design

All new buildings feature the following:

- fully accessible spaces
- braille signage provided for toilets, gender-neutral toilets, accessible toilets and showers
- Multi-faith and Reflection (MFR) rooms
- parenting room
- accessible wayfinding signage designed specifically to be accessible from a visibility perspective, and, where possible, tactile signs
- accessible digital wayfinding
- induction loops
- contrast finishing
- quiet spaces with lighting control provided to allow for time away
- focus spaces
- a comfortable environment for colleagues with neurodiverse conditions
- meeting room, soft seating and restaurant furniture of the inclusive variety.

While **Changing Places** facilities have been provided in One Braham, in future, we will aim to retrofit other spaces. Disabled parking will be available at most sites and **Multi-faith and Reflection (MFR)** rooms are being expanded to allow more colleagues to use these spaces.

Ambitions into action: Partnering across our business to deliver inclusion continued

2. Colleague engagement

Consultation with external inclusive design experts was complemented by extensive colleague engagement. Bimonthly meetings were held with all our People Networks to gather feedback and user insight from a wide range of colleagues.

We commissioned the **Business Disability Forum (BDF)** to carry out an external access audit of the new Birmingham offices. The audit described the offices as a 'good example of an inclusive office space' and made some recommendations that have since been taken onboard.

The Chairs and several members of the **Able2 Network** who had previously contributed to the design and development of new **TBWP** workplace recently carried out extensive peer reviews of the new Birmingham and London offices.



3. Wellbeing

To ensure **TBWP** workspaces enhance and protect the mental health and wellbeing of users, there has been local engagement on use of wellbeing spaces to encourage ownership and most appropriate use. Wellbeing spaces in every building are supported and coordinated by a host team.

A wide range of provisions made to enhance people's wellbeing include:

- local and discounted gym memberships
- biophilic design incorporated into all buildings
- heating and lighting controls in many rooms to allow comfort control
- quiet spaces in contact centres to allow colleagues time away after difficult calls
- 10% sit stand desks to allow for adjustment
- soft furnishings in **Relax and Refuel**, and meeting spaces
- free issue feminine hygiene products
- cycle racks
- changing rooms, lockers and showers.

4. Health and nutrition

A single catering provider has been engaged to provide consistent high-quality nutrition in food offerings to meet diverse needs. Colleagues can also access advice and guidance about healthy eating and cooking. In addition, host teams are available in every building to encourage colleagues to use our **Relax and Refuel** spaces, contributing to the enhancement and protection of the mental health and wellbeing of our colleagues.

Ambitions into action: Partnering across our business to deliver inclusion continued

Supporting colleagues' health and wellbeing

As the coronavirus pandemic continues to present challenges to many of us, our **Health, Safety and Wellbeing team** has delivered a wide range of wellbeing initiatives to support our colleagues.

We have developed more than **500 Wellbeing Champions** across the entire business. These volunteers are passionate about wellbeing and aim to provide bottom-up, peer-to-peer support to colleagues. To support this initiative, we have run a series of training sessions on core wellbeing topics.

We have launched an online **Cognitive Behavioural Therapy (CBT) programme**, which is available to our colleagues across the globe. We have also created the **Recharge Your Wellbeing Programme**, a month-long initiative that aims to help individuals return to good health, both physically and mentally. More than 3,500 colleagues have signed up. Our **Covid Recovery Programme** has also been developed to support colleagues that have ongoing symptoms following acute Covid-19 illness.

To support colleagues' mental health, we ran a month-long campaign to destigmatise mental health issues. The **Behind the Mask campaign** also highlighted the services and help available to our colleagues so they all feel supported.

500

Wellbeing Champions
across the entire business.

3,500

colleagues have signed up
to our CBT programme.

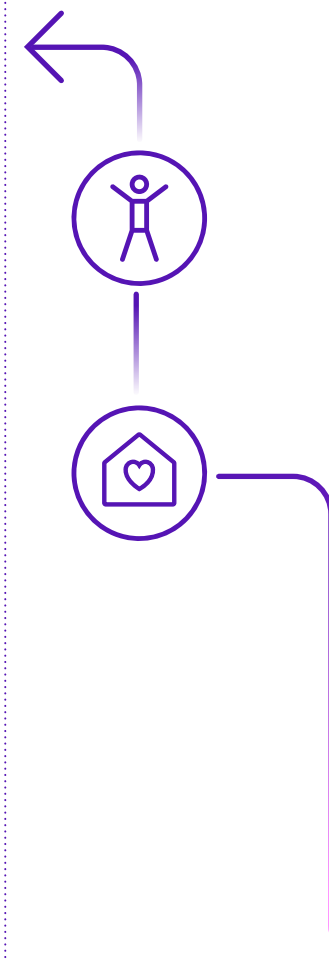
Inclusive design and digital accessibility

Inclusive design aims to identify and remove any bias or barriers in the design, delivery and operation of an environment, system, product or service. We have been working to improve our colleague life cycle by educating colleagues about the importance of inclusive design in shaping an inclusive workplace culture and working environment.

Working with an external partner, the **Global Disability Innovation (GDI) Hub**, we are designing the second stage of our inclusive design training with a focus on four areas directly affecting colleague working environments.

These areas cover aspects of the physical working environment, the internal intranet, the learning and development environment, and the accessible content and communications. This training will also build on the digital accessibility guidance, standards and templates that are being developed across brand, group learning and development, and the Group communications team.

An inclusive design approach is now informing the design of learning and development offers, our internal communications, and improvements to our HR systems and interfaces.



Ambitions into action: Partnering across our business to deliver inclusion continued

Accessibility, Inclusion and Disability (AID) group

Our **AID** group is an umbrella steering group in our Consumer business unit that works to coordinate our approach to inclusivity across all our brands (BT, EE and Plusnet) and products. Going beyond minimum compliance, our **AID** group works to enable us to become a brand that is recognised for its strong accessibility credentials and consistent responsiveness to diverse needs.

We have rebranded and refreshed **Here For You** – our support for customers and colleagues who have different needs – with three ambitions:

- To understand our different customer needs brilliantly and embed them into our design principles across the organisation.
- To drive engagement and awareness, and to upskill our colleagues.
- To drive awareness with our customers and encourage them to share their specific needs so we can serve them brilliantly.

In 2021, more than 17,000 advisers completed training to understand the wide range of issues that can have an adverse impact on customers lives – including financial hardship, impairments and mental health challenges.



17,000

advisers completed
training to understand the
wide range of issues that
can have an adverse
impact on customers' lives.



Ambitions into action: Partnering across our business to deliver inclusion continued



39%
of our graduate hires
were women.

Entry level graduates

Improvements to our early careers' attraction strategy have included running support workshops to attract talent from under-represented groups.

We have also worked with an external partner, **Cubiks**, to redesign the training delivered to our assessors so they are able to act as **Inclusion Champions** – recruiting graduates from a wide range of backgrounds so we can become a business that truly reflects our customers and the regions where we operate.

39% of our graduate hires were women, while 41% came from ethnic minority backgrounds. This is an improvement on last year when women made up 38% of graduate hires and 29% came from ethnic minority backgrounds. Our Black and Black heritage graduate intake also increased to 12% from last year's 4%. We have developed our partnership with the **Aleto Foundation**, a social mobility charity that provides employability training for young talent from predominantly Black and ethnic minority backgrounds, to develop a new dedicated winter programme through which we are supporting more **Aleto** candidates.

Enhancing our recruitment processes

We have worked with an external partner, Upskill Digital, to design and deliver a targeted learning intervention, the **Bias in Recruitment event**, to more than 80 talent acquisition professionals. The event aimed to ensure key colleagues have the knowledge required to effectively coach hiring managers on inclusive hiring best practices.

New joiners

Our Apprenticeships

We are the UK's leading private sector employer of apprentices and we are making sure our apprentices play a key role in making us truly diverse and inclusive. A quarterly apprenticeship forum enables apprentices to make recommendations on how we can enhance our strategies to attract, recruit and retain diverse talent. All recommendations are reviewed quarterly and shared via a newsletter.

In the UK, 3,275 new apprentices joined us this year (3,018 in Openreach and 257 in BT), a significant increase on last year's intake by 207 new apprentices.

Of the 3,275 new starters, 19% were women and 29% came from areas with high indices of deprivation. This was an improvement on last year's intake when 25.6% came from areas with high indices of deprivation.

We had ethnic minority apprentices make up 20% of our total UK intake into BT, with 7% identifying as Black. In Openreach, 18% of new UK apprentice joiners were from ethnic minority backgrounds with 5.4% identifying as Black. These figures indicate we are making progress in attracting and recruiting diverse talent, as we have improved on last year's intake that had ethnic minority apprentices making up 16% of our new intake.

Ambitions into action: Partnering across our business to deliver inclusion continued



Belonging at BT

Our approach to D&I remains broad and intersectional. To educate all colleagues about their roles in making the business a diverse and inclusive workplace where everyone feels they belong, we have provided colleagues with a range of easily accessible belonging resources. This has already increased membership of our People Networks, as colleagues are keen to play a part in making their workplace more diverse and inclusive.

Our **Belonging Listening sessions** have provided safe spaces for senior leaders and colleagues to discuss issues that might be preventing colleagues from diverse backgrounds from feeling like they belong in the workplace. These sessions are managed by trained facilitators and provide some of the insight we need to remove any barriers colleagues might be facing.

We have also worked with internal and external partners to deliver a range of training sessions to our colleagues, so they are better informed about D&I. Topics covered so far include Disability 101, Neurodiversity, Digital Accessibility, Race Equality, LGBTQI+ awareness, and Neurodiversity and children.

A live panel session to mark the **International Day of People with Disabilities** was delivered to raise awareness about disability issues in the workplace and society. The event was hosted by Jackie Beer. Speakers included Sara Weller, Independent Non-Executive Director at BT; Howard Watson, and Sarah McKeever, Commercial Partnership Manager in the Consumer unit.

Ambitions into action: Partnering across our business to deliver inclusion continued

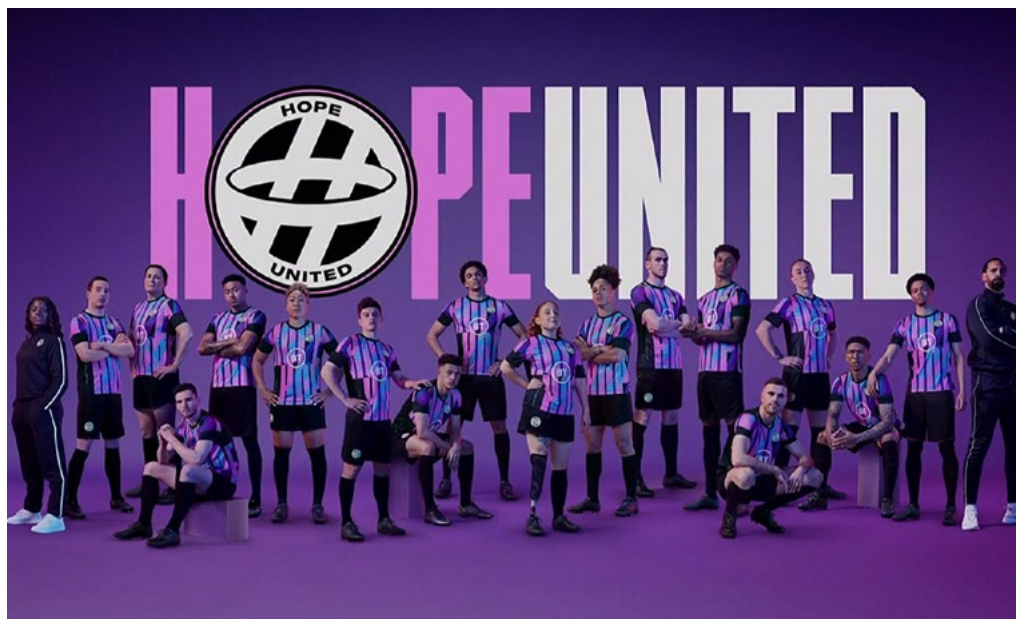
Campaigning against online hate

As one of the UK's biggest telecommunications and network providers, with a global presence, we have a responsibility to use our scale and reach to ensure technology connects for good.

In 2021, BT Sport partnered with the UK charity **Glitch** to deliver **Draw the Line**, a data-led campaign that highlighted the scale of daily online abuse and reaffirmed our commitment to tackling online hate. Building on this campaign and in conjunction with an array of external agencies, we launched **Hope United**, a nationwide behavioural change campaign at a major cultural moment (The European Football Championships).

This campaign aimed to educate the nation about all forms of online hate as part of our commitment to bridge the UK's digital skills gap and reach 25 million people by 2026. We pulled together a squad of celebrated footballers to represent us, raising awareness about online hate. Our creative assets touched on Black inclusion, gender and disability, and were delivered across TV, digital, social and print media.

The campaign was a huge success, with nationwide impact. It received more than 26,400 retweets, significantly increasing our reach by 16.4 million, with 57% seeing us as a credible voice on the issue of online hate. In addition, 3.7 million people were helped with digital skills through social and digital channels.



25m

Our aim is to reach 25 million people with help to improve digital skills by 2026.

16.4m

people reached by our campaign against online hate.

Diversifying our supply chain

Our **Procurement and Supply Chain (P&SC)** function continues to work to ensure D&I is reflected in our procurement strategy and practice, with an aligned digital ecosystem.

In 2021, **BT Sourced**, a stand-alone procurement company within the BT Group, was established to challenge the traditional ways of buying goods and services by simplifying processes and introducing new technology and partnership-based approaches to the way we work with suppliers and start-ups. This presents opportunities for small and medium-sized enterprises (SMEs) and diverse suppliers. We have introduced **BT Sourced** opportunities to more than 300 ethnic minority business owners.

We continue to support micro and small suppliers by working to ensure that they are paid on time, and constantly monitoring that this happens. **Fairmarketit & Globality** sourcing platforms are now live, providing access to their supplier networks, including SMEs and diverse suppliers. We have launched **Candex** which allows fast and low cost on-boarding and ordering, making it easier for SMEs to transact with us.

To ensure that D&I considerations continue to underpin our procurement plans, our P&SC function will be reviewing and improving accessibility provisions.

Ambitions into action: Partnering across our business to deliver inclusion continued

Movement to Work

Since 2014, we have been members of **Movement to Work**, a voluntary collaboration between UK employers who are committed to tackling youth unemployment. As members, we commit to delivering programmes that provide training and work experience for young people not in employment, education or training.

Our **FastFutures** and **Work Ready** programmes have contributed to **Movement to Work** employers providing 100,000 placements, with more than 55% of young people progressing into jobs, apprenticeships or returning to education. In 2021, we provided 220 work experience placements and recruited 63 people into paid employment with us.

India

The India D&I team set up a **D&I leadership** forum that includes our leaders alongside those from Accenture, Goldman Sachs, IBM, KPMG, Capgemini, BlackRock and Ericsson. The forum has enabled engaging and meaningful conversations about the broad spectrum of D&I.

The **Managing Mental Health** initiative saw us delivering a range of virtual webinars and workshops to support colleagues in India during the coronavirus pandemic, the frequency of which increased when the pandemic caused a national crisis. To encourage a calm mental state, we run mindfulness groups that colleagues can join from anywhere in the world. We also offer regular mindfulness webinars and monthly guided mindfulness walks that colleagues can attend in their own locations.

We launched a **PRIDE India network** in 2021 and we now have an active ally group that is helping us build a strong foundation as an inclusive employer to LGBTQI+ colleagues.

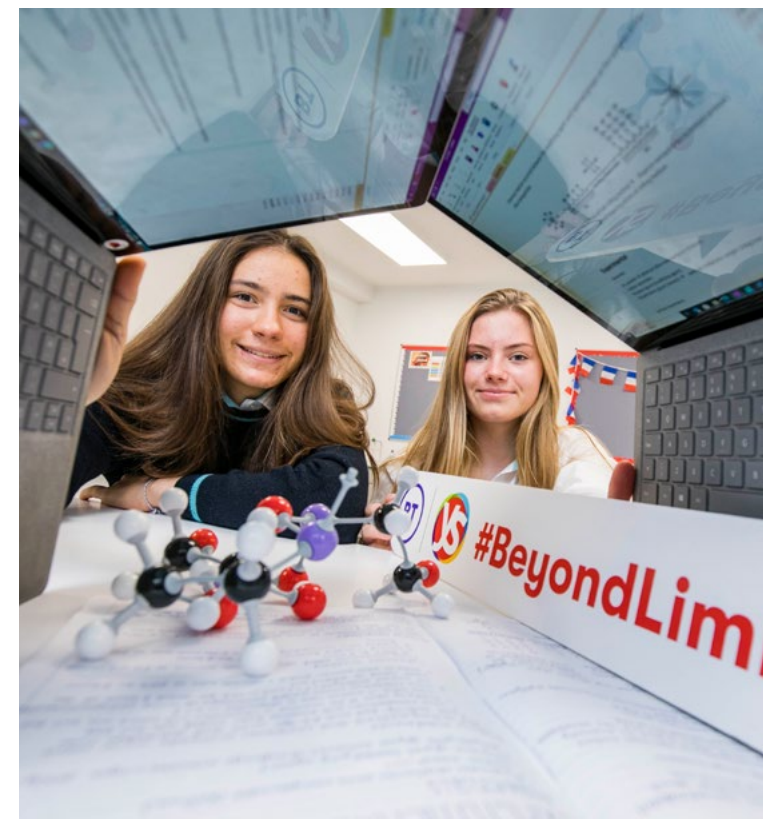
Our India D&I team and **Pride India network** collaborated to deliver several initiatives that aim to attract, recruit, and retain LGBTQI+ talent in India.

Ireland

BT Ireland organises the **Young Scientist & Technology Exhibition** on behalf of the charitable trust **Young Scientist Ltd**. It is one of the leading school STEM exhibitions in Europe, inspiring young people across the island of Ireland (NI and ROI) to enter a STEM project into the exhibition competition, and stimulating enthusiasm for crucially important STEM subjects.

In the face of the pandemic in 2021, we pushed ourselves to deliver a global virtual exhibition. More than 2,500 students from 282 schools across Northern Ireland and the Republic of Ireland entered the exhibition, with 60% of the entries coming from girls. More than 100 of our colleagues, 60 external partners, and an 80-person judging panel were involved in its delivery. The exhibition received more than 105,000 unique visits from 77 countries. In 2021, our **BT Young Scientist** winners won 1st and 3rd places at the EU Contest for Young Scientists.

BT Ireland also participates in the **Dublin City University (DCU) Access Programme** which helps young people from socio-economically disadvantaged backgrounds to gain entry to third level education. According to **DCU**, our 2021 donation of €10,000 will have supported at least 10 access students. In addition, we have created a work placement for one access student.



Ambitions into action: Partnering across our business to deliver inclusion continued

Our People Networks

Armed Forces Network (AFN)

We are committed to supporting the armed forces community. With more than 1,200 members, including 300 active reservists, our **AFN** contributes to these efforts. Clive Selley, Openreach's CEO is the Executive Sponsor.

Highlights

The **AFN** delivered **Transition Force workshops** to more than 50 veteran and service leavers every month. **Transition Force** is an external mentoring programme that supports armed forces leavers, veterans and their families in their transition to civilian employment.

The network led the delivery of awareness-raising events like **Fighting Fit**, as well as mental health education sessions. The latter enable those leaving the forces to land well into the business and help to provide the extra support they might need to adjust to civilian life.

To attract, recruit and engage talent from the armed forces community, the AFN regularly collaborated with **The Career Transition Partnership (CTP)** and **Officers Association (OA)**, advertising job vacancies and delivering recruitment events, including a collaborative event involving the **Officers' Association** and Openreach leaders.

AFN has led the commemoration of key milestone days such as **Armed Forces Week**, **Veteran Community Day**, and **Armistice** and **Reserves Days**.

We are one of the largest recruiters of armed forces veterans in the UK. As signatories of **The Armed Forces Covenant**, and one of the first 10 companies to be awarded the **MOD Gold Employer Recognition Award**, we commit to supporting the armed forces community, working with partners to support the employment



of veterans, and support the transition of UK service leavers and veterans through our **Transition Force** programme. Our **AFN** delivers Transition Force workshops to more than 50 veteran and service leavers every month.

Carers Network

The **Carers Network** connects and supports colleagues that have caring responsibilities. The network has worked with the D&I Centre of Expertise to enable the business achieve **Carer Confident Level 2: Accomplished Status**, as part of the **Carers UK**, **Carer Confident** benchmark. Debbie White, HR director (interim) BT Group is the Executive Sponsor.

Highlights

Coronavirus has led to some colleagues taking on more caring responsibilities. The network has delivered several information and support signposting events including an **Understanding Autism for Carers** session. During **Carers Week**, the network provided several themed workshops and 'lunch & learn' sessions.

Milestone days, like **Carers Rights Day** and **Carer Confident Day**, were also commemorated, with engagement events to ensure our managers and colleagues are able to ensure carers are well supported.

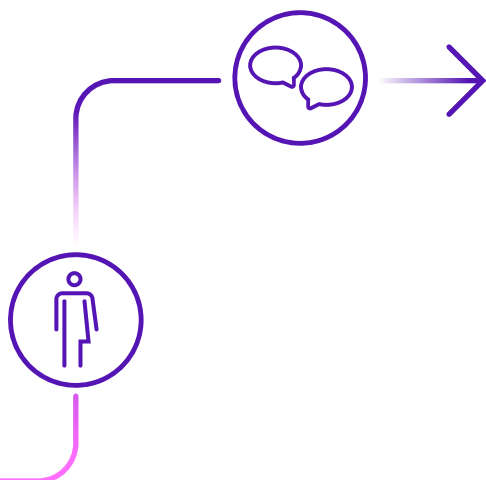
1,200

members of the Armed Forces Network.

50

The AFN delivered Transition Force workshops to more than 50 veteran and service leavers every month.

Ambitions into action: Partnering across our business to deliver inclusion continued



Christian Network (BTCN)

This network is open to all colleagues and supports its members. **BTCN** also supports communities through charitable donations and volunteering. Ed Petter, our Corporate affairs director, is its Executive Sponsor.

Highlights

To support our plans to retain colleagues from diverse backgrounds and create an inclusive workplace, **BTCN** worked with an external speaker to deliver an **Understanding Others and Ourselves** webinar to colleagues across the business. Non-BTCN members accounted for 80% of the attendees. The webinar was well received as its central message encouraged colleagues to reflect on how best we can welcome, support and value each other.

BTCN engaged colleagues to support the **Festive Give** campaign which encouraged colleagues to contribute to supporting vulnerable families in the UK and the work of UNICEF UK. The campaign helped ensure that thousands of children were able to celebrate during the holiday season.

Peer to Peer (P2P) Support Network

The **P2P Network** consists of a team of volunteers that help colleagues who are seeking wellbeing support by being available to talk – and listen – in confidence. Richard Caddis, BT Group's Chief Medical Officer is the Executive Sponsor.

Highlights

Collaborating with HR leads and teams, the network successfully delivered the global rollout of the **Peer-to-Peer Support Network** beyond the UK and Ireland. The rollout has broadened the network's presence with volunteers now providing mental health support and dialogue in Hungary, India, the United States, France, the United Arab Emirates, Italy, Belgium, Singapore and South Africa.

A series of monthly webinars were delivered to raise awareness and encourage open conversations so colleagues would be better informed and more able to support one another. These webinars involved colleagues sharing their personal stories in a supportive, safe space, with the topics discussed including dealing with miscarriage, life after breast cancer, and coping with PTSD, anxiety, depression and suicide.

A series of mental health awareness raising events were delivered including a panel discussion on male archetypes and their impact on mental health as part of **International Men's Day** and to commemorate **World Mental Health Day**.

Pride Network

Our People Network for LGBTQI+ people, allies and anyone who wants to support their LGBTQI+ colleagues and friends has Rob Shuter, the CEO of the Enterprise unit, as its Executive Sponsor.

Highlights

Collaborating with various teams and People Networks, the **Pride Network** led various initiatives to commemorate **Pride Month**. These included a keynote address by Stonewall founding member Lord Cashman, fundraising for worthy causes and virtual engagement events.

LGBT History Month was used as an opportunity to raise awareness about LGBTQI+ issues and rights. An event that explored intersectionality was delivered during **Black History Month** in collaboration with the EDN.

The network also provided practical resources to support a growing community of LGBTQI+ allies across the business.

Ambitions into action: Partnering across our business to deliver inclusion continued

Jewish Network

This network provides a social and support network for like-minded individuals and promotes interfaith relations as well as inclusivity through social action, volunteering and networking events. Sabine Chalmers, General counsel, company secretary and director regulatory affairs for BT Group is the Executive Sponsor.

Highlights

The Jewish Network has led initiatives to boost inclusion and raise awareness about the Jewish faith across the business, including leading the commemoration of the 2021 **Holocaust Memorial Day**. Working with the **Holocaust Educational Trust**, the network hosted a Holocaust survivor at a live event attended by more than 700 colleagues. Her testimony was a powerful way of educating colleagues about the Holocaust.

Throughout the year, the Jewish Network led the commemoration of key dates like Hannukah, Purim, Passover, Jewish American Heritage Month, Shavuot and Mitzvah Day. The network also worked with colleagues, other People Networks and external organisations to deliver a range of awareness-raising events including Member Stories and panel discussions exploring antisemitism.

Muslim Network

With a goal of providing a platform to harness the talent of Muslims and members, this network is an inclusive and welcoming community that connects our people globally. Bas Burger, the CEO of BT Group's Global arm is its Executive Sponsor.

Highlights

The network delivered a wide range of initiatives to educate colleagues about Islam with the aim of making our workplace more inclusive. These included discussions about Islamophobia, a Hajj knowledge session and the **Muslim Excellence in the Workplace** series, as well as regular surveys to capture feedback and support for members.

Lived experience input from our People Networks, including the **Muslim Network**, contributed to shaping design plans for the **Multi-faith and Reflection (MFR)** rooms under **The Better Workplace Programme**.

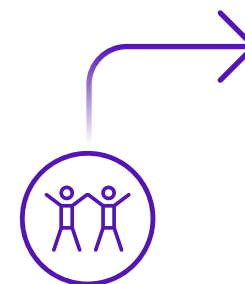
The network also led celebrations to mark key Islamic events including **Ramadan** and **Islamophobia Awareness Month**.

Our Business units

Consumer

To help create an inclusive culture where everyone feels they belong, the **Personal Allies in Action** initiative was launched with strong support from Consumer's CEO, Marc Allera. The initiative has been well received, encouraging colleagues to play an active role in making their workplace more inclusive. It has empowered them to act as agents of change who can stand up for what's right and stand against what's wrong so no one feels excluded.

The **Personal Allies in Action** initiative has involved external partners such as **Inclusive Employers** and **Goldbug**, as well as internal groups including our People Networks. Allies have been provided with learning and resources, as well as positive and productive discussions.



Ambitions into action: Partnering across our business to deliver inclusion continued

Since **Personal Allies in Action** was launched, it has grown to become a very active community of over 800 colleagues. Ongoing conversations about belonging have led to the creation of a microsite where colleagues can share practical acts of allyship to inspire and support others, and a podcast which has had more than 23,000 listeners.

Enterprise

To engage colleagues across Enterprise and encourage everyone to understand their role in making the business diverse and inclusive, we launched the **#WeAreDifferentTogether** campaign. This campaign has contributed to creating a culture where colleagues engage and interact with D&I initiatives, promoting a sense of inclusivity, belonging and awareness of others. Colleagues have also been encouraged to learn more about issues relating to D&I including disability and neurodiversity.

Global

Following the successful 2020 **People Data Campaign** in the UK, in 2021, we carried out an international data declaration campaign across four markets: USA, India, Hungary and the Republic of Ireland. This was done to better understand the diversity of our workforce in these countries and to ensure our D&I initiatives are evidence-based and appropriately tailored to meet the diverse needs of our colleagues.

This month-long campaign took into consideration the legal and cultural differences in each market and resulted in improvements to our non-UK declaration rates. A significant increase in the declaration rates in India saw a 27% increase in ethnicity declaration, a 12% increase in disability declaration and a 16% increase in religion declaration.

To ensure our senior management team (SMT) is well-equipped to act as D&I role models, we held **SMT Talking Talent** discussions. These quarterly sessions provided our leaders with better understanding of our D&I approach and strategy, as well as opportunities for them to champion a culture of inclusion in our workplace.

During inclusion week, our Global business unit hosted **Learn, Share, Evolve** events – six sessions over four days that engaged more than 1,000 colleagues from across the world. These events raised awareness of D&I across the business, focusing on a range of aspects including the role of colleagues as respectful allies to under-represented groups.

The events were hugely successful in engaging colleagues and improving our recruitment brand recognition. In Hungary, which is a key recruitment hub for Global, we received an external award for this initiative.

Networks and Digital

Our **Technology D&I Community** calls have involved colleagues, external speakers and members of our People Networks discussing topical D&I issues in a safe and supportive space. As part of our drive to ensure that everyone feels heard and included across our Networks and Digital units, these calls regularly engage colleagues covering a wide range of issues.

Topics covered have included school engagement, ideas on how to attract diverse talent to the business, opportunities for colleagues to support D&I initiatives inside and outside the business, as well as how to boost diversity declaration rates and raise awareness of existing D&I and wellbeing resources. Our **Let's get talking** sessions have focused on a number of topical D&I issues.

1,000

During inclusion week our Global business unit engaged more than 1,000 colleagues from across the world.

27%

A significant increase in the declaration rates in India saw a 27% increase in ethnicity declaration.



Ambitions into action:

Partnering across our business to deliver inclusion continued



Openreach ambitions

By 2030, we aim to have a workforce made up of:

| Women ¹ | Ethnic minority colleagues ² | Disabled colleagues ² |
|--------------------|---|----------------------------------|
| 13% | 10% | 6% |

1 Global workforce.

2 UK workforce only due to data limitations and based on declared data only.

Openreach

At Openreach, to support our 2030 ambitions, we have set clear **D&I goals** in five areas. We have done this in order to enable us to build a business that truly reflects the communities we serve where people can be themselves, feel confident and perform at their best.

- 1. Inclusive – where everyone feels they belong and have a voice**
Last year we launched our **four people networks** – Pride, Gender Equality, Ethnic Diversity and Neurodiversity. We launched the **Openreach Allies Programme** to build a network of colleagues that will help create an inclusive workplace. And we reviewed and updated our field maternity process so line managers and women engineers are better supported. We also completed a pilot of our **Field Inclusion Programme** which aims to give managers the skills they need so they can be confident having conversations with their teams about respectful behaviour and valuing difference.
- 2. Fair – where we give people the support and training they need to succeed**
To encourage more women to apply for our engineering roles, we commissioned ground-breaking research into gender-neutral language in advertising by experts at **Linguistics Landscapes** and Exeter University. This led to us revamping our job adverts and our **Watch Me** campaign, aimed at challenging stereotypes in engineering. These changes have resulted in attracting 300% more women to apply for our engineering roles.

- 3. Open – where everyone understands what we are aiming for and how we are doing**
We have made and published comprehensive plans and have set ourselves ambitious targets. We regularly share the progress that we are making.
- 4. Leading by example – where our leaders are role models**
To ensure our senior colleagues become D&I role models, build diverse teams and create inclusive working environments through the decisions they make every day, our senior leadership team have taken part in an intensive inclusion education journey, with 11 specialist masterclasses. We have also completed our first phase of reverse mentoring, focused on having conversations about race and ethnicity, and launched a race awareness programme for all our senior leaders. This programme is being rolled out to other managers and team members.
- 5. Influential – where we are a business that makes positive changes**
To help influence the industry we operate in, while working to increase the diversity within the engineering sector, we started a business coalition to find new ways of supporting neurodiverse young adults as they transition into the workplace. We have also launched our **Connect the Unconnected** offer, which provides superfast broadband installations free of charge for new customers on Universal Credit with no other earnings.

300%

more women applied for our engineering roles following our Watch Me campaign.

Our pay gap reports

3

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Pay gap statement from Debbie White



A handwritten signature in black ink, appearing to read 'Debbie White'.

Debbie White
HR Director (interim)

I am proud that BT Group remains committed to building a diverse and inclusive organisation that is fully representative of the different regions in which we operate.

This is our fifth **Gender Pay Gap** report, and although our overall UK gender pay gap figures have increased marginally this year to 6.7% median and 5.0% at mean, versus 5.0% and 4.9% in 2020, respectively, both the median and mean figures still sit significantly below the telecommunications industry (19.6%) and UK (15.4%) median averages¹.

The relative outperformance of BT Group's gender pay gap is no cause for complacency; we still have a long way to go. Fewer than 24%² of our overall workforce are women, and a smaller proportion hold senior management and leadership roles with higher salaries (reflected in the upper pay quarter)³. A much greater proportion of our women colleagues hold administrative and contact centre roles that earn lower salaries (reflected in the lower pay quarter)³.

To reduce our gender pay gap, we are doing more to attract, recruit and retain women in order to achieve balanced gender representation at all levels across the business. In addition to the interventions we have put in place to attract more women into roles primarily held by men in the past, such as in engineering, we are also working to increase the number of women working in more senior, higher paid roles. Examples of our initiatives are included in this report.

Although UK organisations are not legally required to publish their ethnicity pay gap, as part of our overall commitment to D&I, we published our first Ethnicity Pay Gap (EPG) report last year.

In 2021, 77.1% of colleagues chose to disclose their ethnicity. This means the accuracy of the ethnicity

pay gap analysis is limited, as 23% of our employee population is excluded from the calculation.

Our 2021 overall median UK ethnicity pay gap is -2.7%, compared to -1.3% in 2020. The mean gap has also reduced slightly to 0.1%, from 0.3% in 2020. This is lower than the median reported by other UK businesses of 2.3%, and the gaps of the majority of other UK businesses which chose to disclose.

We recognise that we currently have unequal representation of different ethnic minority groups across the different roles and levels within the business. There are more Asian colleagues in higher paid management roles, and more Black colleagues in frontline roles such as engineers.

To address our current ethnicity pay gap, and improve ethnic diversity across BT Group, we have delivered a number of initiatives to attract, recruit and retain more people from ethnic minority backgrounds at BT Group, examples of which are included in this report.

Statutory declaration

I confirm that the data and information presented in this report are accurate and meet the requirements of the UK Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

¹ Office for National Statistics (ONS) estimated data for 2021.

² This is the number of colleagues that were 'full pay relevant' at the snapshot date and were included as part of the gender pay gap methodology as stipulated by the regulations.

³ Pay Quarters – The pay quarter figures show the proportion of men and women in each pay quarter. To work out the number of men and women in each 'quarter', the total number of employees are ranked by hourly pay rate. Then the list is divided into four 'quarters', with an equal number of employees in each (i.e. 25% of the total population). We then calculate the proportion of male and female employees in each quarter pay band.

Our 2021 Gender Pay Gap report:

The Gender Pay Gap Information Regulations 2017 (the 'Regulations') came into force in April 2017. The Regulations are designed to increase transparency in differences between the average pay of men and women and encourage employers to take more action to reduce or eliminate their gender pay gap.

The gender pay gap is a measure of the difference in average pay received by men and women. It is expressed as a figure representing the difference in women's pay as a percentage of that received by men. It is vital to recognise that the gender pay gap is different to equal pay. An equal pay gap is a discriminatory pay difference between men and women who carry out the same job or jobs, rated as equivalent, or work of equal value.

The presence of a gender pay gap does not automatically give rise to any discrimination or equal pay matters but is more of a display of the diversity of an organisation across all its levels.

45.07%

of our EE workforce are women.

9.02%

of our Openreach workforce are women.

BT Group's UK Gender distribution

The chart below shows our male and female representation in the UK. At the snapshot date of 5 April 2021, 23.75%¹ of our workforce were women, and 76.25% were men. Of our entities, EE Ltd has the largest number of female colleagues, with 45.07% of the workforce being women. Openreach Limited has the lowest number of female employees with 9.02%.

| | Colleagues | % | Total |
|-------------------------------|------------|--------|--------|
| British Telecommunication plc | | | |
| Men | 24,593 | 67.81% | 36,268 |
| Women | 11,675 | 32.19% | |
| EE Ltd | | | |
| Men | 5,012 | 54.93% | 9,125 |
| Women | 4,113 | 45.07% | |
| Openreach Limited | | | |
| Men | 31,195 | 90.98% | 34,286 |
| Women | 3,091 | 9.02% | |
| Plusnet plc | | | |
| Men | 586 | 70.69% | 829 |
| Women | 243 | 29.31% | |
| Total | | | |
| Men | 61,389 | 76.25% | 80,511 |
| Women | 19,122 | 23.75% | |

Understanding the gender pay gap calculations

Our gender pay gap figures have been calculated in line with the government regulations and show the mean² and median³ pay gap (based on hourly rates of pay at 5 April 2021) and mean and median bonus⁴ gap (based on bonuses paid in the 12 months to 5 April 2021).

About our results

Using the calculations set out in the gender pay gap reporting regulations, the overall BT Group UK gender pay gap figures, which capture all entities within scope, have increased this year to 6.7% at median and 5.0% at mean, versus 5.0% and 4.9% in 2020, respectively. The figures sit below the telecommunications industry (19.6%) and UK (15.4%) median averages (Office for National Statistics estimated data for 2021).

1 This is the number of colleagues that were 'full pay relevant' at the snapshot date and were included as part of the gender pay gap methodology as stipulated by the regulations.

2 Mean Pay Gap – The mean is what is commonly described as the average. It involves adding together the pay or bonuses of employees and then dividing by the number of employees.

3 Median Pay Gap – The median is the middle value of all hourly rates when ranked. That is the amount paid to the employee in the middle of the list, if employees are listed in order of pay or bonus.

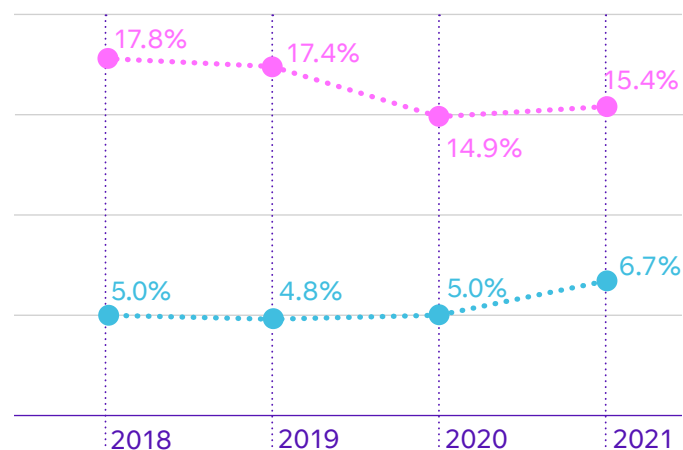
4 The proportion receiving a bonus – showing the proportion of men and women in receipt of a bonus as a percentage of the population.

Our 2021 Gender Pay Gap report: continued

As shown within our 2020 report, BT Group's UK gender pay gap is driven by the low representation of women in senior roles. At BT just under 24%¹ of our overall workforce were women. However, a large proportion held administrative and contact centre roles (36.8%) within our lower pay quarter².

Over the past year some of our D&I initiatives have concentrated on attracting more women into roles primarily held by men in the past, such as in engineering. As these roles usually start with apprenticeships, we have seen an increase in the number of women within our lower pay quarters, which has led to the increase in our mean and median pay gaps. In addition to initiatives helping more women enter roles historically held by men, we know we need to increase our female population in more senior, higher paid roles to reduce our pay gap.

Median Pay Gap



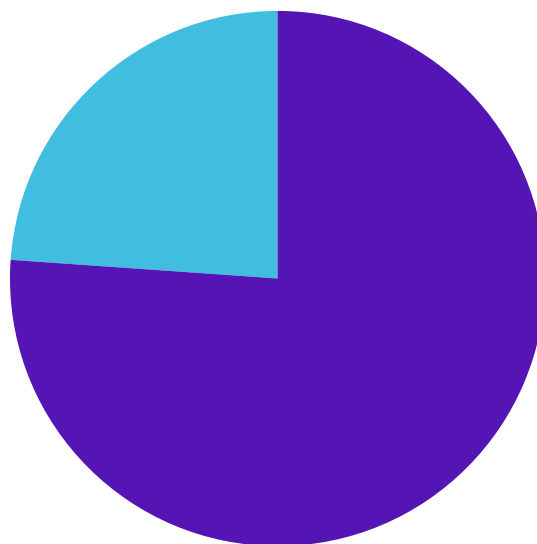
●●● ONS Median

●●● BT Median

Pay quarters

Pay quarters figures show the proportion of men and women in each pay quarter.

This information is helpful as it gives a picture of the distribution of male and female employees at each level within the organisation.

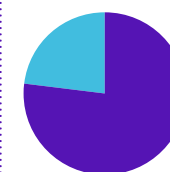


Overall distribution (full pay relevant employees)

| | |
|---------|-------|
| ● Men | 76.3% |
| ● Women | 23.7% |

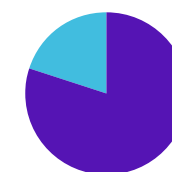
Despite seeing an increase (0.2%) of female representation within the upper pay quarter, a larger increase of 1.4% within the lower pay quarter and a reduction in both middle quarters are contributing towards the pay gap growth.

There is a higher proportion of women in the lower pay quarter as they are over-represented in clerical and administrative roles. We have seen an increase of women in the lower quarter for the last two years, with Openreach significantly increasing its population of junior women engineers/technicians.



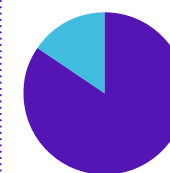
Upper

| | |
|---------|-------|
| ● Men | 77.0% |
| ● Women | 23.0% |



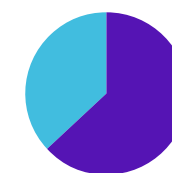
Upper middle

| | |
|---------|-------|
| ● Men | 80.1% |
| ● Women | 19.9% |



Lower middle

| | |
|---------|-------|
| ● Men | 84.7% |
| ● Women | 15.3% |



Lower

| | |
|---------|-------|
| ● Men | 63.2% |
| ● Women | 36.8% |

1 This is the number of colleagues that were 'full pay relevant' at the snapshot date and were included as part of the gender pay gap methodology as stipulated by the regulations.

2 Pay Quarters – The pay quarter figures show the proportion of men and women in each pay quarter. To work out the number of men and women in each 'quarter', the total number of employees are ranked by hourly pay rate. Then the list is divided into four 'quarters', with an equal number of employees in each (i.e. 25% of the total population). We then calculate the proportion of male and female employees in each quarter pay band.

Our 2021 Gender Pay Gap report: continued

Bonus figures

The median bonus gap increased to 22.1%, compared to 12.0% in 2020, and the mean bonus gap increased to 4.2%, from 3.4% in 2020.

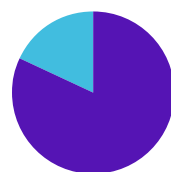
| Bonus Gap | Medium | Mean |
|-----------|--------|------|
| 2021 | 22.1% | 4.2% |
| 2020 | 12.0% | 3.4% |
| 2019 | -21.5% | 8.9% |
| 2018 | -7.9% | 5.9% |

Proportion receiving a bonus

The bonus gaps reflect the overall pay gap. However, the required calculations do not adjust for part-time working. This means the bonus of colleagues working full-time is compared with colleagues working part-time on an absolute basis. As more women work part-time and most bonuses are based on a percentage of salary, this exaggerates the bonus gap. Part-time and flexible working are key initiatives at BT Group and we aim to foster inclusion by helping all our colleagues reach a work-life balance which suits them and their individual circumstances.

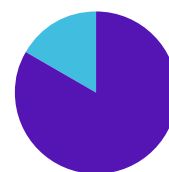
More colleagues received a bonus in 2020/21 compared to previous years. This increase was driven by the increase in the use of vouchers as recognition awards for both male and female employees, increased bonus eligibility when colleagues moved from older to newer reward frameworks, and incentive and bonus trials throughout the year.

While more women (83.4%) received bonuses than men (82.1%), female employees are more likely to occupy roles that have lower bonus opportunities. Roles in the lower quarter are also more likely to receive recognition vouchers as a form of bonus. While the use of recognition vouchers has increased over the past year, the value of vouchers remains comparatively low.



Men

| | |
|------------|-------|
| ● Bonus | 82.1% |
| ● No bonus | 17.9% |



Women

| | |
|------------|-------|
| ● Bonus | 83.4% |
| ● No bonus | 16.6% |

Our 2021 Gender Pay Gap report: continued

Pay quarters

Pay gaps across our entities

BT Group is required to report the gender pay gaps for four legal entities:

- British Telecommunication plc (36,268 employees)
- EE Ltd (9,125 employees)
- Openreach Limited (34,286 employees)
- Plusnet plc (829 employees)

While British Telecommunication plc and EE Ltd have seen increases in their median pay gaps, their mean pay gaps have reduced.

Openreach has seen a decrease in their pay gaps with their 2021 median pay gap at -14.2% and mean pay gap at -10.6% (compared to -20.20% and -14.20% in 2020).

Plusnet Plc has continued its trend moving from a negative median pay gap of -4.7% in 2019 to a +2.7% gap in 2021.

Pay quarters across our entities

In all entities except Openreach, there is a higher proportion of female employees in lower and lower middle pay quarter roles.

With a lower proportion of females in Technician/Engineering roles, Openreach's gender split in the lower three quarters is heavily in favour of male employees. Openreach is decreasing their negative pay gap towards a neutral level.

EE Ltd continues to have the most balanced proportion of female and male employees across each quarter.

Plusnet's pay gap has changed from a low and negative gap to a positive gap.

Bonus gaps across our entities

Bonus gaps across all entities apart from EE Ltd have increased in the mean, with a median gap in favour of male employees.

Openreach continues to have a negative bonus gap in mean, however this has reduced by 12%. For the median this has seen an increase of 4.5%.

Female employees in Openreach are mostly in management roles while male employees are mostly in technician/engineering roles, where the average bonus opportunity is lower. Consequently, in Openreach, the average bonus for female employees is higher than for male employees, producing a negative gap.



Find out more on **pages 49–52**

Our 2021 Gender Pay Gap report: continued

British Telecommunications plc: 36,268 colleagues

Pay gap

Median:
2021:

12.9%

2020: **11.7%**

Difference
from 2020 **+1.2%**

Bonus gap

Median:
2021:

26.9%

2020: **27.3%**

Difference
from 2020 **-0.4%**

Mean:
2021:

10.8%

2020: **11.5%**

Difference
from 2020 **-0.7%**

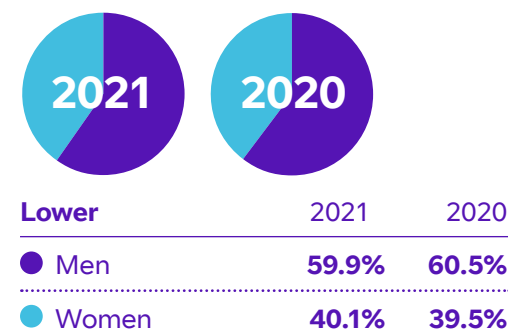
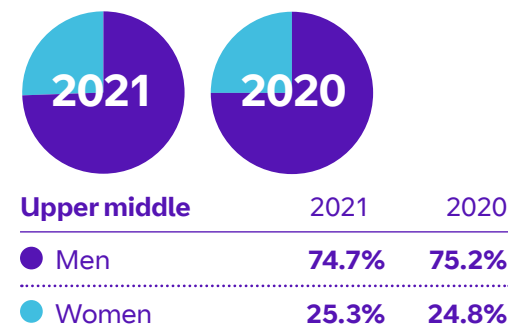
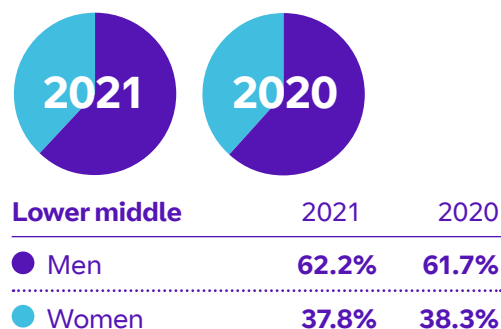
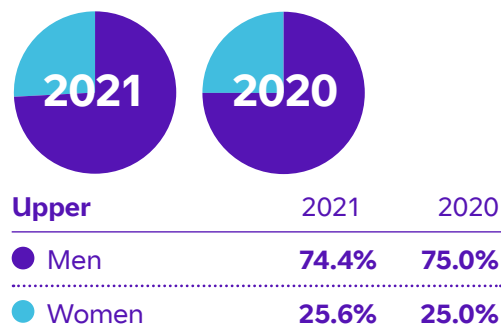
Mean:
2021:

28.9%

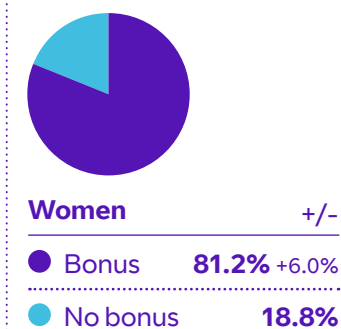
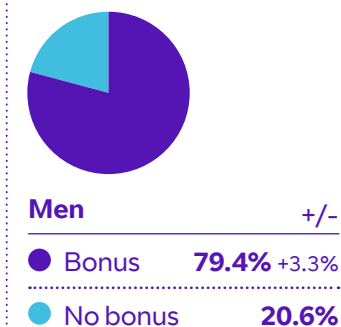
2020: **25.6%**

Difference
from 2020 **+3.3%**

Pay quarters



Proportion receiving a bonus in 2021



+/- Variance from 2020

Our 2021 Gender Pay Gap report: continued

EE Ltd: 9,125 colleagues

Pay gap

Median:
2021:

3.9%

2020: **3.4%**

Difference
from 2020 **+0.5%**

Bonus gap

Median:
2021:

27.8%

2020: **32.6%**

Difference
from 2020 **-4.8%**

Mean:
2021:

6.1%

2020: **7.0%**

Difference
from 2020 **-0.9%**

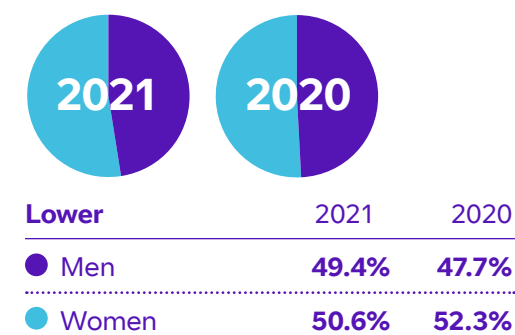
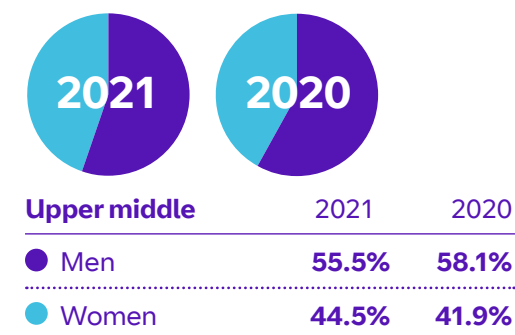
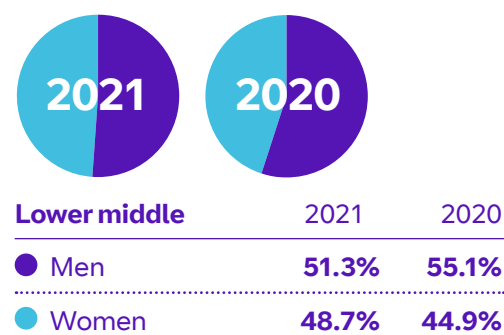
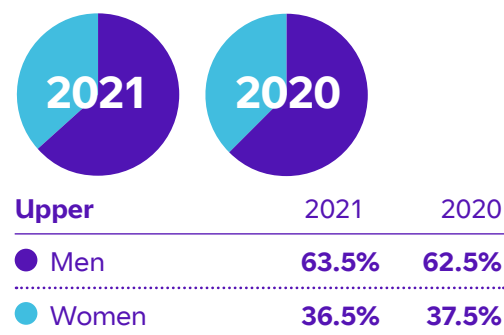
Mean:
2021:

25.3%

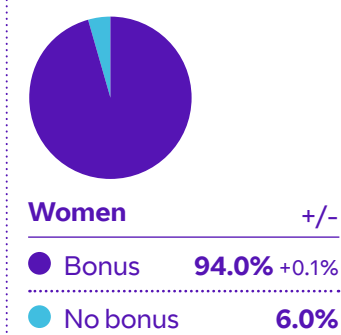
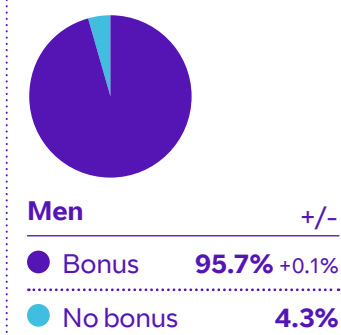
2020: **32.5%**

Difference
from 2020 **-8.2%**

Pay quarters



Proportion receiving a bonus in 2021



+/- Variance from 2020

Our 2021 Gender Pay Gap report: continued

Openreach Limited: 34,286 colleagues

Pay gap

Median:
2021:

-14.2%

2020: **-20.2%**

Difference
from 2020 **+6.0%**

Bonus gap

Median:
2021:

17.2%

2020: **12.7%**

Difference
from 2020 **+4.5%**

Mean:
2021:

-10.6%

2020: **-14.2%**

Difference
from 2020 **+3.6%**

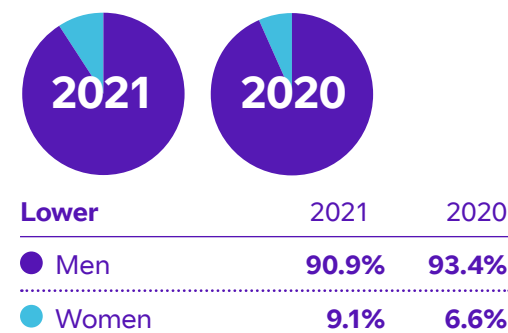
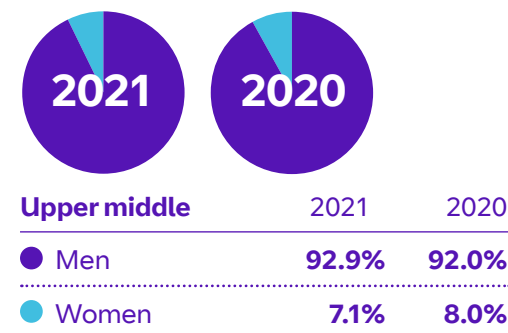
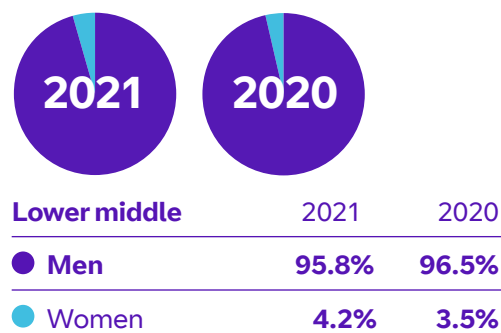
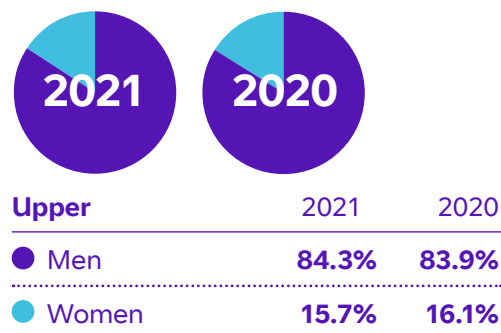
Mean:
2021:

-50%

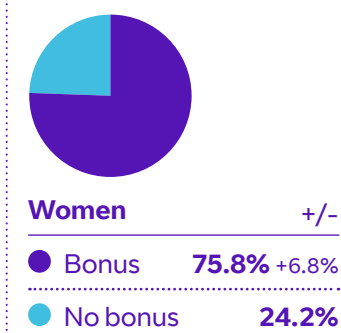
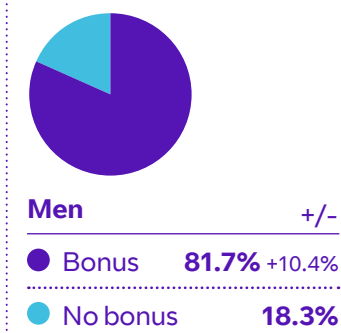
2020: **-62.0%**

Difference
from 2020 **+12.0%**

Pay quarters



Proportion receiving a bonus in 2021



+/- Variance from 2020

Our 2021 Gender Pay Gap report: continued

Plusnet plc: 829 colleagues

Pay gap

Median:
2021:

2.7%

2020: **0.2%**

**Difference
from 2020** **+2.5%**

Bonus gap

Median:
2021:

8.8%

2020: **-32.6%**

**Difference
from 2020** **+41.4%**

Mean:
2021:

5.8%

2020: **1.2%**

**Difference
from 2020** **+4.6%**

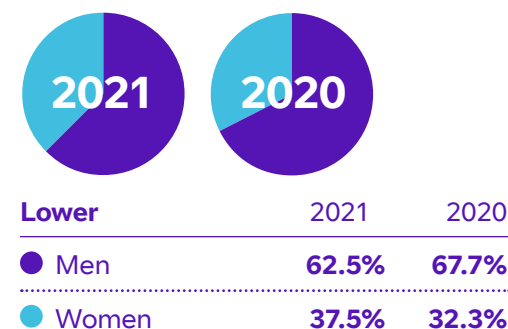
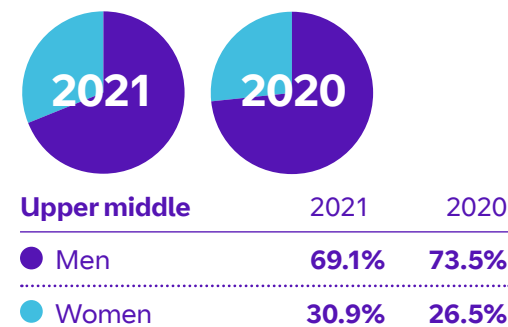
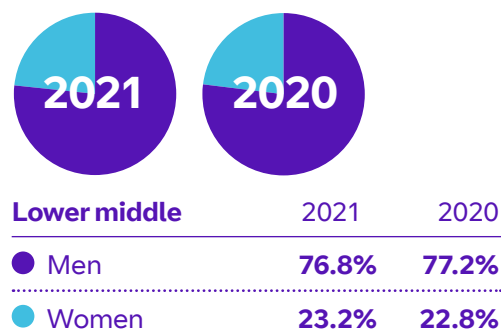
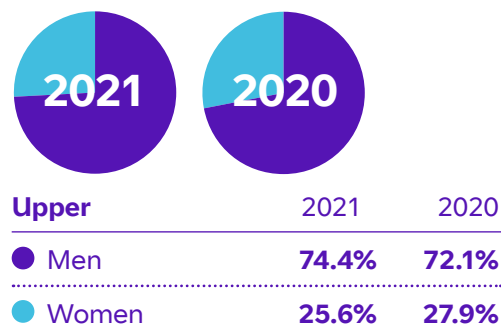
Mean:
2021:

23%

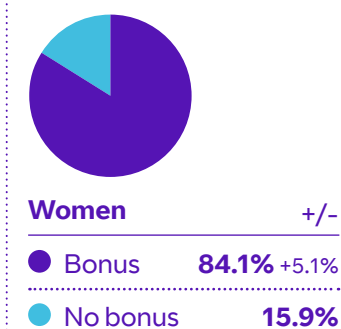
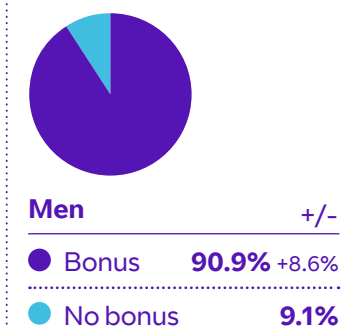
2020: **17.2%**

**Difference
from 2020** **+5.8%**

Pay quarters



Proportion receiving a bonus in 2021



+/- Variance from 2020

Our 2021 Gender Pay Gap report: continued

How we are closing our gender pay gap

We recognise the binary nature of the gender pay gap methodology which only enables us to identify pay gaps across the business in relation to men and women.

While this insight contributes to the data and evidence base that we are using to address any gaps, we are also taking steps to ensure all genders are represented and supported across BT Group.

We have a wide range of initiatives and enablers that aim to address our current pay gaps, ensure we attract, recruit and retain women, and enable us to achieve our 2025 target of having a workforce with 46% women¹. Some of these initiatives are highlighted here:

Talent and career development programmes

We are working to ensure women are well represented and supported on our programmes. **Accelerate**, our new talent programme for high potential middle managers that incorporates our **TechWomen** programme and includes a fast stream for women. The initial cohort was made up of 220 women. 161 women have also participated in **Elevate**, our talent programme for our senior managers. In our Consumer unit, 32% of the places on the **Aspire** career development programme went to women, an increase on 27% from the previous year.

Graduate and technical roles

An enhanced early careers attraction strategy has led to 39% of our **graduate** hires in 2021 being women.

In Openreach, to attract more women to engineering and technical roles, we commissioned research into gender-neutral language in advertising and revamped our job adverts. Our **Watch Me** campaign successfully attracted 300% more women to engineering roles.

In Openreach, there has been a significant focus on increasing the number of women engineers and 16% of trainee engineering hires were women compared to 12% the previous year.

We are also working hard to attract more women to our apprenticeships. In our Enterprise unit, our efforts to attract more women to **Field Engineer Apprenticeships** has led to an increase in the number of applications received from women.

In the UK, of the 3,275 new apprentices we welcomed into Openreach and BT, 19% were women. This serves as evidence that more women see us as an employer of choice for apprenticeships and engineering roles.

Senior representation

At the April 5 2021 gender pay gap snapshot date, women made up 23.75%² of our overall workforce and they are overrepresented in roles that fall into our lower quarter pay bands. We recognise that to close our pay gaps, we need to have women working at all levels across the organisation.

We have set ambitious targets to have women make up 41% of our senior leadership and management team, and as part of efforts to ensure we achieve our targets, we are ensuring we have diverse shortlists for senior roles.

We set targets to have women make up 33% of each of our Board and Executive Committee populations, and 41% of our senior leadership and management teams by 2025. 36.4% of our Board and Executive Committee and 26.1% of our senior leadership team are women¹.

1 This target does not include Openreach due to their significantly different colleague demographics, more typical of an engineering business. Openreach have their own stretching targets.

2 This is the number of colleagues that were 'full pay relevant' at the snapshot date and were included as part of the gender pay gap methodology as stipulated by the regulations.

Gender Equality Network

Our **Gender Equality Network (GEN)** worked with several teams across BT to educate and engage colleagues. For **International Women's Day**, the network built on the **#ChooseToChallenge** to engage colleagues and deliver education events that explored a wide range of topics including barriers to women in sport, the effects of the global pandemic on women in the workplace, and global gender equality. **GEN** has also been a critical partner in efforts to educate colleagues about the menopause.

Partnerships

We have built on a successful partnership with **Code First** to sponsor **Nanodegree**, a 13-week learning skills bootcamp. Participants will learn the skills needed to enter into data roles with us. The initial cohort of 12 participants from the summer **Nanodegree**, and additional 16 from the winter **Nanodegree**, all have opportunities to join us in paid roles. We plan to build more partnerships next year.

Menopause awareness and support

Across BT Group, we want to make sure that we take positive action and support all colleagues affected by menopause.

By signing the **Menopause Workplace Pledge** in 2021, we have committed to creating a workplace where we can talk openly, positively and respectfully about the menopause, and provide support for colleagues affected by menopause symptoms. We have also worked with our **Health, Safety and Wellbeing team** and **GEN** to deliver a series of menopause education events.

Our 2021 Ethnicity Pay Gap report:

While UK organisations are not yet required by law to publish their ethnicity pay gap, as part of our commitment to being transparent about the progress we are making to ensure we are an inclusive and diverse organisation, we published our first **Ethnicity Pay Gap (EPG)** report last year.

Our 2021 ethnicity pay gap has been calculated using the same methodology and data set (snapshot date of 5 April 2021) as used when calculating gender pay gap. The gender pay gap methodology is the most used approach to calculating pay gaps.

Like last year, we have chosen to report our **EPG** data in more granular detail instead of adopting the usual binary reporting approach. This is because we recognise that a binary ethnicity pay gap can mask the disparate issues that individuals and groups from different ethnic groups face at work and in wider society. Our pay gaps are highlighted across each of the ethnic groups. It is only by examining the data at a more granular level that we can see the nuanced picture.

Current representation by ethnicity

The table below shows the ethnicity breakdown of our UK workforce as of 5 April 2021.

With 77.1% of UK colleagues voluntarily reporting their ethnicity (up slightly from 76.6% in 2020), we do not know the ethnicity of 23% of our colleagues (unknown or prefer not to say), so it is important to note that our ethnicity pay gap analysis cannot be deemed as conclusive.

| Category | Pay relevant employees | Percentage |
|---------------------------|------------------------|------------|
| White | 53,843 | 66.88% |
| Asian | 4,325 | 5.37% |
| Black | 2,096 | 2.60% |
| Mixed | 1,087 | 1.35% |
| Other | 689 | 0.86% |
| Unknown/prefer not to say | 18,471 | 22.94% |
| Total | 80,511 | 100.00% |

Our 2021 Ethnicity Pay Gap

Our ethnicity pay gap using the gender pay gap regulations methodology illustrates how diverse our organisation is across all our quarters and levels. This is different to equal pay which compares the pay of White colleagues doing the same roles at the same level as Black, Asian and ethnic minority colleagues. Across BT Group, employees are paid equally for doing the same work at the same level. In 2021 77.1% of colleagues chose to disclose their ethnicity.

The low disclosure limits the accuracy of the ethnicity pay gap analysis as 23% of the population is excluded from the calculation.

At the snapshot date of 5 April 2021, our median (binary) ethnicity pay gap¹ was -2.7%, an increase in its negative from -1.3% in 2020.

The mean (binary) ethnicity pay gap has reduced slightly to 0.1%, down from 0.3% in 2020.

¹ Our median pay gap is lower than the median reported by other UK companies of 2.3% and the gaps of most UK companies which have disclosed. The direction of all companies is to diminish any gap whether negative or positive to a neutral state of 0%.

The pay gaps by group of ethnicities (ONS groups) show a more mixed picture with Black colleagues having a median pay gap of -2.7%, Asian colleagues with a median pay gap of -3.7% and colleagues from Mixed ethnic backgrounds a median pay gap of 6.0%.

This is because we have unequal representation of different ethnic minority groups across different roles and levels within the group. For example, we have more Asian colleagues in higher paid management roles, and more Black colleagues in frontline roles such as engineers.

| 2021 | Mean pay gap | Median pay gap |
|---------|--------------|----------------|
| Overall | 0.1% | -2.7% |
| White | – | – |
| Asian | -2.3% | -3.7% |
| Black | 5.3% | -2.7% |
| Mixed | 3.3% | 6.0% |
| Other | -8.0% | -13.8% |



| 2020 | Mean pay gap | Median pay gap |
|---------|--------------|----------------|
| Overall | 0.3% | -1.3% |
| White | – | – |
| Asian | -1.2% | -2.9% |
| Black | 5.7% | -0.7% |
| Mixed | 0.4% | 7.7% |
| Other | -6.4% | -13.4% |

Our 2021 Ethnicity Pay Gap report: continued

Pay Quarters

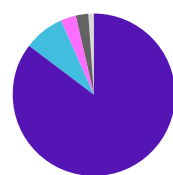
The charts below show the proportion of colleagues from our different ethnic groups in each pay quarter, and the corresponding hourly rates of pay comprising each quarter.

The proportion of White, Black, Mixed and Other ethnic colleagues is broadly consistent across each pay quarter. There are higher proportions of Asian colleagues in the lower and upper pay quarters, than the two middle pay quarters.

Although quarters are a clear way to view the demographics across the organisation, they don't show the full picture for our most senior positions. For our Black ethnicity the proportion within our most senior levels is much lower than within all other ethnicities. This shows through in our pay gap and bonus gap figures.

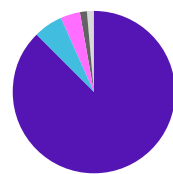
It is worth mentioning that the proportion of colleagues where their ethnicity is unknown or they have preferred not to say, is higher in the lower quarters (between 27-29%), than the upper quarters (between 16-20%).

Quarter rates are based on the eligible pay components.



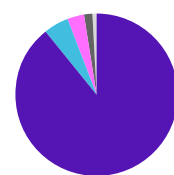
Lower

| | |
|---------------------------------------|-------|
| White and White other | 85.5% |
| Asian/Asian British | 8.0% |
| Black/African/Caribbean/Black British | 3.1% |
| Mixed/Multiple ethnic groups | 2.4% |
| Other ethnic group | 1.0% |



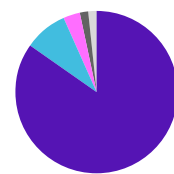
Upper middle

| | |
|---------------------------------------|-------|
| White and White other | 87.5% |
| Asian/Asian British | 6.0% |
| Black/African/Caribbean/Black British | 3.9% |
| Mixed/Multiple ethnic groups | 1.3% |
| Other ethnic group | 1.3% |



Lower middle

| | |
|---------------------------------------|-------|
| White and White other | 89.2% |
| Asian/Asian British | 5.2% |
| Black/African/Caribbean/Black British | 3.2% |
| Mixed/Multiple ethnic groups | 1.6% |
| Other ethnic group | 0.8% |



Upper

| | |
|---------------------------------------|-------|
| White and White other | 84.8% |
| Asian/Asian British | 8.7% |
| Black/African/Caribbean/Black British | 3.3% |
| Mixed/Multiple ethnic groups | 1.7% |
| Other ethnic group | 1.5% |

Bonus figures

The overall bonus gaps have increased by 1.7% at the mean and 9.1% at the median, both in favour of White colleagues.

| 2021 | | |
|---------|--------------|----------------|
| | Mean pay gap | Median pay gap |
| Overall | 6.6% | 12.1% |
| White | - | - |
| Asian | -2.7% | 3.4% |
| Black | 36.0% | 40.1% |
| Mixed | 1.4% | 1.3% |
| Other | -9.5% | 11.0% |



| 2020 | | |
|---------|--------------|----------------|
| | Mean pay gap | Median pay gap |
| Overall | 4.9% | 3.0% |
| White | - | - |
| Asian | -5.3% | -12.2% |
| Black | 31.8% | 50.4% |
| Mixed | 0.8% | -3.9% |
| Other | 0.2% | -6.8% |

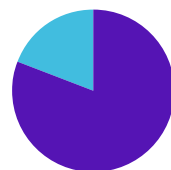
Our 2021 Ethnicity Pay Gap report: continued

One of the primary contributors to this change is the increase in the use of vouchers across all colleagues which are included in the bonus calculations as required by the gender pay gap methodology. Although this resulted in an increase in the total number of colleagues in receipt of a bonus compared to the previous year, the recognition awards/vouchers are lower in value than commission or scorecard bonuses which are attached to roles held by a higher proportion of White colleagues.

Additionally, we continue to see the impact of having colleagues employed on legacy terms and conditions which have a higher salary but no bonus eligibility. Because these colleagues might have received a recognition award/voucher, the amounts are included in the calculations.

Proportion receiving a bonus:

The proportion of colleagues in receipt of a bonus increased across all ethnicity groups.

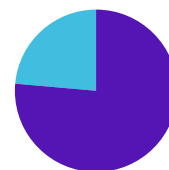


Asian/Asian British

● In receipt of a bonus **81.0%**

● Not in receipt of a bonus **19.0%**

↑ **2020: 72.8%**

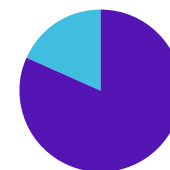


Other ethnic group

● In receipt of a bonus **76.6%**

● Not in receipt of a bonus **23.4%**

↑ **2020: 70.5%**

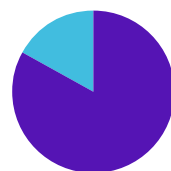


White and White other

● In receipt of a bonus **81.9%**

● Not in receipt of a bonus **18.1%**

↑ **2020: 76.5%**

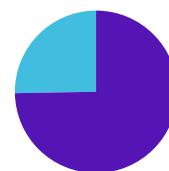


Mixed/Multiple ethnic groups

● In receipt of a bonus **83.1%**

● Not in receipt of a bonus **16.9%**

↑ **2020: 74.9%**



Black/African/Caribbean/Black British

● In receipt of a bonus **74.8%**

● Not in receipt of a bonus **25.2%**

↑ **2020: 66.8%**

Our 2021 Ethnicity Pay Gap report: continued

Ethnicity focus – How we are closing our gap

We recognise that we currently have unequal representation of different ethnic minority groups across different roles and levels within the group, with more Asian colleagues in higher paid management roles, and more Black colleagues in frontline roles such as engineers.

To ensure our ethnic minority colleagues are represented across all levels in the business we have set targets that have been aligned with population projections that by 2025 ethnic minority colleagues will make up 16% of our overall workforce¹ and 15% of our senior leadership and management teams². We also aim to have 5% of our senior leadership and management as Black or Black heritage colleagues³.

To enable us to address our current ethnicity pay gap, and attract, recruit and retain people from ethnic minority groups, we have delivered several initiatives. Some of these are highlighted here:

Ethnicity Rapid Action Plan (ERAP)

We made excellent progress across all four ERAP workstreams:

- To accelerate diversity within, **Accelerate**, our faststream for high potential colleagues supports ethnic minority colleagues. The first cohort had 156 colleagues from ethnic minority backgrounds. We have also reviewed our approach to senior hires and relaunched our graduate recruitment strategy. 51 ethnic minority colleagues have also participated in **Elevate**, our talent programme for our senior managers.

1. BT Group (excl. Openreach).

2. BT Group (total).

3. BT Group (total).

- To educate and empower colleagues, we have rolled out mandatory **Let's Talk about Race** training across the business. More than 252 virtual workshops have been delivered to senior leaders and more than 10,000 colleagues have accessed the digital option.
- To ensure our leaders lead by example, our **reverse mentoring programme** has seen all members of our Executive Committee matched with an ethnic minority colleague. These reverse mentoring conversations have helped enhance our D&I plans.
- Our fourth commitment was to build transparency. Following the successful **UK People Data** campaign that enabled us to deliver our first ethnicity pay gap report last year, we delivered an international data declaration campaign for USA, Hungary, India and ROI. This has resulted in improved diversity data with ethnicity declaration in India increasing by 27%. We will continue to encourage colleagues to provide us with their ethnicity information so we can identify and address representation gaps.

Senior representation

We know that ethnic minority colleagues are currently not well represented at senior levels of the business, so we have established diverse shortlists for senior level roles to ensure we have at least one candidate from a diverse category on each shortlist.

BT Group plc Board has two directors from ethnic minority backgrounds, exceeding the Parker Review target for all FTSE 100 Boards to have at least one director from an ethnic minority background by the end of 2021. In Openreach, 19.8% of our managerial hires were from an ethnic minority background, an improvement on 14% last year.

Graduates, Apprentices, and Trainees

Our revamped graduate recruitment campaign and early carers strategy has led to an increase in the number of ethnic minority graduates joining our business. In 2021, 41% of our new graduate intake came from ethnic minority backgrounds, an increase on 29% the previous year. Our Black and Black heritage graduate intake also increased from 4% to 12%.

In Openreach, 41% of our graduate hires and 16% of our trainee engineers were from ethnic minority backgrounds.

With our apprenticeships in the UK, 20% of new joiners into BT were from ethnic minority backgrounds, with 7% identifying as Black. In Openreach, 18% of the new apprentices were from ethnic minority backgrounds, with 5.4% Black. This is an improvement on last year's intake when 16% of our new apprentices were from ethnic minority backgrounds.

Supporting ethnic minority businesses

We recognise that we have a responsibility to champion ethnic diversity and racial equality in all part of our business, so we have been taking steps to diversify our supply chain. We continue to work with **MSDUK (Minority Supplier Development UK)**, the UK's leading non-profit membership organisation driving inclusive procurement, to ensure we engage and work with businesses that are owned by people from ethnic minority backgrounds. We are also revamping our procurement processes to ensure D&I is at the heart of all we do.

Our 2021 Ethnicity Pay Gap report: continued

Ethnic Diversity Network (EDN)

The **EDN** is a much-valued partner that has worked tirelessly to ensure we are able to attract, recruit and retain ethnic minority colleagues. The network has provided input into the development of our talent programmes, supported the Graduate Recruitment Team and collaborated with external partners like the **Aleto Foundation** and **BITC** to deliver key initiatives. Collaborating with 11 other organisations, the **EDN** delivered the **Spotlight Series** that showcased senior leaders from ethnic minority backgrounds to help inspire colleagues.

To recognise colleagues for championing greater inclusivity for all colleagues, the **EDN** delivered the first **Stand Together Awards** and launched the ‘**EDN local champions and allies**’ across different locations and business units to create opportunities for conversations and shared learning in safe spaces. The network also led the development and delivery of several awareness raising sessions that all had three core objectives: **Togetherness, Education and Allyship (#TEA)**.

The network also established the **BT ESEAN (East and Southeast Asian Network)** – a platform designed to promote inclusivity and amplify the voices of our East and Southeast Asian colleagues.

It is a testament to their hard work that the **EDN** has received external recognition: nominated as best **Employee Resource Group** at the 2021 Ethnicity Awards, and two EDN committee members shortlisted finalists in the 2021 Women in Tech Excellence Awards.

Partnerships

Our partnership with the **Aleto Foundation**, a social mobility charity that provides employability training for young talent from predominantly Black, African and ethnic minority backgrounds, continues to grow. In 2021, the annual immersive leadership programme saw 417 delegates attending with 33 BT mentors supporting delegates throughout the programme. Of those delegates that were invited to recruitment assessment centres after the Leadership Programme, 50% were successful in receiving a job offer from us.

We have developed a new partnership with **10,000 Black Interns**, an organisation that works with employers across a wide range of industries to offer paid work experience and training to young Black people in the UK. An initial pilot programme in 2022 will see ten paid internship places offered to participants.

The external initiative, the **McKinsey Black Leadership** programme has been supported by senior leaders at BT Group and promoted as an opportunity for Black colleagues to access career development opportunities. 60 Black middle managers are participating in this programme.

Looking ahead

4



| | |
|---|----|
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The evidence-based initiatives and interventions we will deliver in the coming year will aim to support our colleagues and address representation gaps, so we have an inclusive workplace culture that respects, values and leverages diversity.

Overview

In recent years, the increased focus on D&I across the business has boosted engagement and supercharged our efforts to attract, recruit and retain colleagues from a wide range of backgrounds. We will continue to deliver our ambitious group-wide D&I strategy.

Targeted interventions

We recognise that there is still work for us to do to close our gender and ethnicity pay gaps. We also recognise that achieving our current diversity workforce targets, focused on female representation, ethnicity and disability, is only one measure of how diverse and inclusive we are, so we will continue to develop and deliver D&I initiatives that aim to make everyone in the business feel included.

To achieve proportional representation at all levels of the business, we will continue to establish diverse shortlists for senior level roles, maintain diverse recruitment panels for interviews, and review the recruiters we work with to ensure they consistently meet our expectations when it comes to recruiting diverse talent. Our in-house recruiters, hiring managers and assessors will also continue to be provided with inclusive hiring training so they remain conscious of our diversity ambitions, demonstrate inclusive behaviours, and ensure their decisions are fair and inclusive throughout

recruitment processes. We will work hard to embed race awareness learning from the **Let's Talk about Race** training that we have rolled out to all colleagues.

Our **Accelerate** talent programme will be scaled up to develop and support more women, disabled colleagues and colleagues from ethnic minority backgrounds so we have even more diverse leaders across the business. In Openreach, more women will be supported by the **Moving on Up** programme.

We will continue our **ethnicity reverse mentoring programme** and more Black colleagues will be provided with the opportunity to join the **McKinsey Black Leadership programme**. Outside the UK, our Hispanic and Latino colleagues will also be given the opportunity to join the **McKinsey** programme.

Our mentoring and returner programmes will be expanded in our Global business unit to support more women and we will encourage more women into roles and business units where they are currently under-represented – like Field Engineer Apprenticeships in Enterprise, Sales roles in Consumer and Engineering roles in Openreach, where a gender reverse mentoring programme is being launched. We will also continue to address gendered language in job descriptions and adverts so we avoid potentially excluding female applicants, and we will build on initiatives that have been successfully piloted in our business units – like the **Maternity Buddy** programme in India – to embed learning across the business.

To ensure we are able to attract and engage more women, disabled people, and people from ethnic minority backgrounds to BT, we will also build on relationships with external partners like **CodeFirst Girls**, **Wellbeing of Women**, **We Are The City**, **Black Girls Tech**, **Girls Talk**, **The Aleto Foundation**, the **Business Disability Forum (BDF)** and **10,000 Black Interns**.

Intersectionality, inclusive culture and educating our colleagues

To ensure we maintain an intersectional approach as we strive to create an inclusive culture, we will continue our work to facilitate social mobility. While social mobility is not currently a protected characteristic, we know that people can face disadvantage in society and the employment market if they come from disadvantaged backgrounds. As signatories of the **Social Mobility Pledge**, we remain committed to providing employment and development opportunities to people from disadvantaged backgrounds and circumstances.

Our revamped hiring guidance will be rolled out so that hiring managers remain conscious of all aspects of diversity when making hiring decisions. In Openreach, there will be a focus on building pipelines of diverse talent through dedicated programmes including the Future Field Leaders Higher Apprenticeship Programme and the Field Senior Leader Fast Track Programme.

We will continue to equip colleagues with the knowledge and insight they need to confidently champion D&I, and act as active allies. We will be rolling out new Inclusive Leadership learning content as part of our **Belonging at BT** resources, and engaging colleagues through targeted **Belonging Listening** sessions so colleagues feel heard in safe spaces.

Inclusivity campaigns, like the **#WeAreDifferentTogether campaign** in our Enterprise business, will aim to encourage colleagues to play their part in making us more diverse and inclusive. In our Global unit, we plan to launch an Allies Community – with a focus on inclusive leadership training – to connect colleagues who act as D&I allies and role models. Similarly, in our Consumer unit, we have plans to build on our thriving Personal

Allies in Action community by launching our **Allyship Ambassador** programme. This programme will enable select colleagues to champion allyship locally and support more colleagues on their allyship journey.

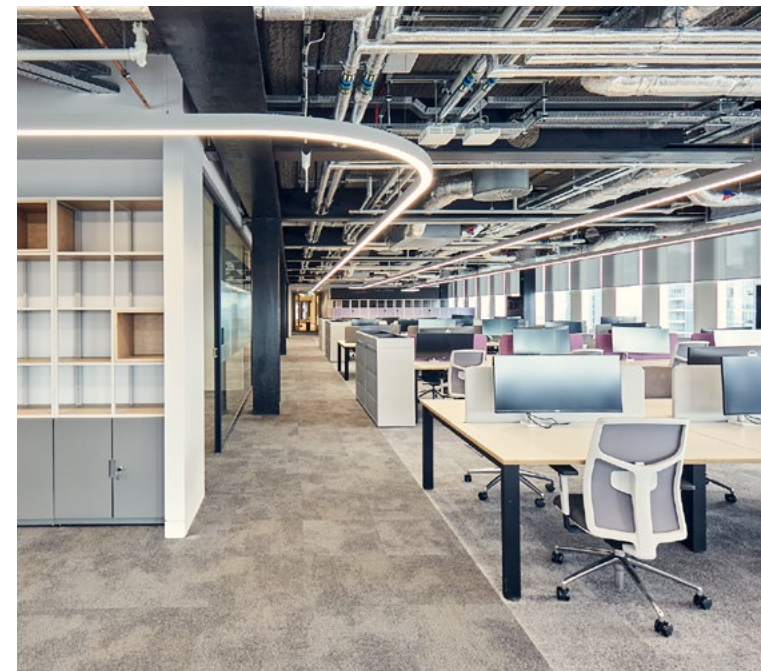
We recognise we have an important role to play in championing greater inclusion and diversity in technology roles. As signatories to the **Tech Talent Charter (TTC)**, a movement that aims to address inequality in the UK tech sector and drive inclusion and diversity in a practical and measurable way, we will continue to work to attract, recruit and develop people from diverse backgrounds into technology roles.

To ensure that the evidence-based, intersectional D&I interventions and initiatives we are designing and delivering meet the diverse needs of our customers and colleagues, we will continue to benchmark our efforts against existing best practice, and work to exceed current inclusivity standards.

Simplifying systems to support our people better

In 2022, we will be launching a new central HR system – **My HR**. With quick self-service at its core, it will simplify the way we work. Colleagues will be provided with the right tools and information to navigate HR processes with ease, as well as manage and update their personal data.

With **My HR** in the UK, we have expanded the categories available for colleagues to provide their diversity information using terms that they feel best describes them. This improved diversity information will ensure that the work we are doing to make the business more diverse and inclusive continues to be evidence-based and shaped by colleagues' needs.





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Registered office: 1 Braham Street, London E1 8EE

Registered in England and Wales No. 4190816

Produced by BT Group

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