

BT Fleet

Modern Slavery Act Statement

At BT Fleet we are committed to running our business responsibly. We strive to maintain the highest standards of integrity, transparency and fairness in all we do – and this includes encouraging all of our supply chain partners to meet the same high standards that we set for ourselves.

BT Fleet is an award winning fleet management, vehicle maintenance and accident management company that provides service to the most well know operational fleets in the UK. We are renowned for our specialism in mission-critical commercial vehicle fleets and have an enviable reputation for service quality, ethical excellence and resilience. Our 500 strong UK garage network, 66 of which we own, together with our own mobile maintenance and repair service is a unique one-stop-shop for all vehicle, plant and specialist equipment repairs.

BT Fleet employs over 1,000 people throughout the UK.

As a business we buy a wide range of things, including everything associated with running all of our garages, and also being able to service, maintain and repair services to commercial and company car vehicles.

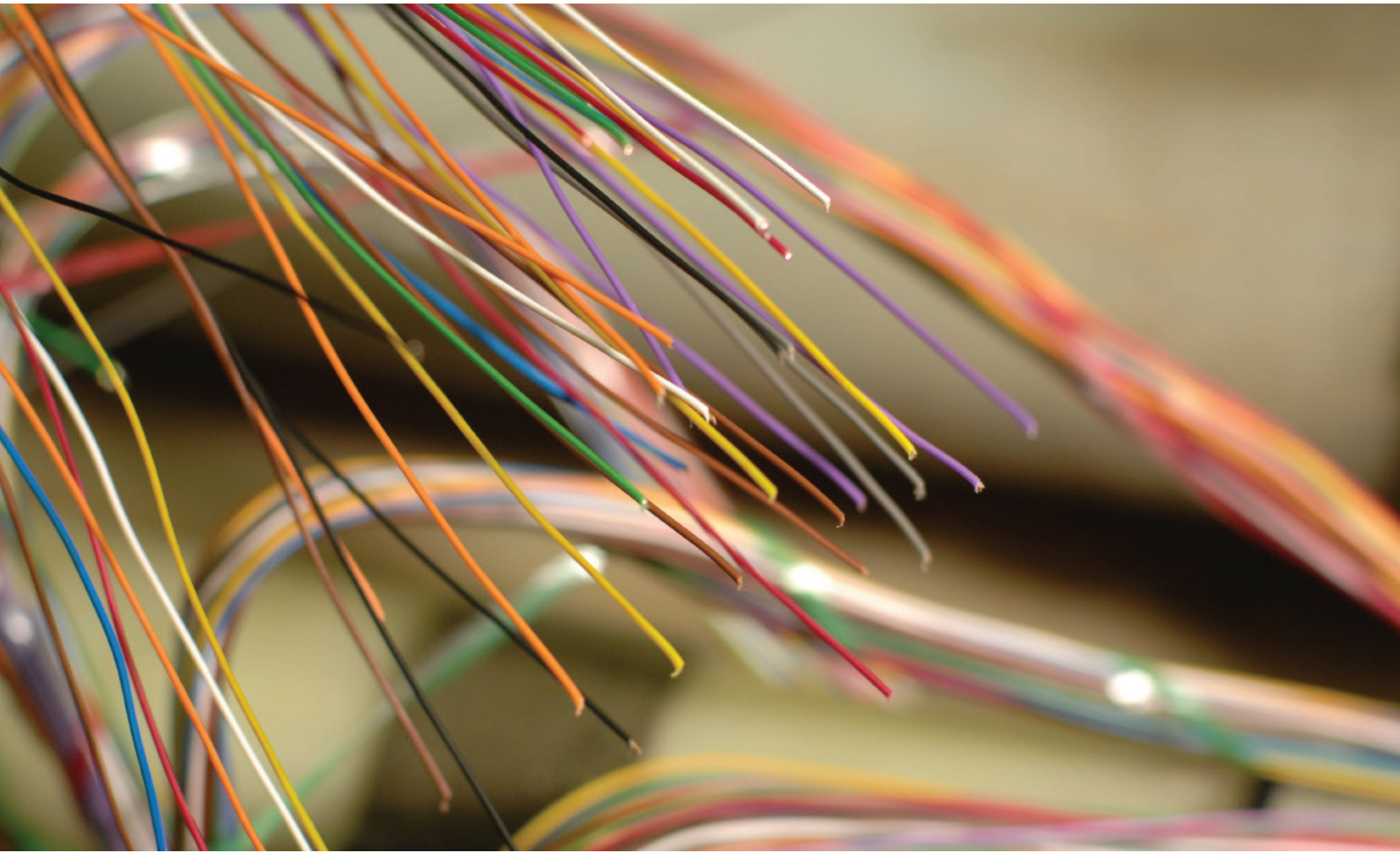
As a member of the BT group of companies, BT Fleet complies with, and is subject to, all the policies and processes that BT group has in place. This means, for example, that whenever we purchase new products and services, the process is managed through BT's procurement team and subject to the same checks and balances that BT applies to its broader supply chain. BT Fleet staff also have to complete the same mandatory training as BT employees. In addition, BT Fleet is included within BT's wider audit and compliance activity to check that we comply with both law and BT internal policies.

For this reason, our Modern Slavery Act Statement includes the statement by BT plc, which is set out in the appendix below. This describes in a lot more detail the steps the BT Fleet and BT take to ensure that slavery and human trafficking are prevented in our business and supply chains.

Our Modern Slavery Act statement covers 1 April 2016 to 31 March 2017 and has been approved by BT Fleet's Board.

A handwritten signature in black ink, appearing to read 'H Brace', with a long horizontal flourish extending to the right.

Henry Brace
Managing Director



BT plc

Modern Slavery Act Statement 2016/17

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We’re committed to the principles of ethical behaviour and respecting human rights. We have a long-standing policy that we don’t use or accept forced, bonded or involuntary prison labour or child labour; nor do we demand deposits or hold onto our workers’ identity papers, or work with businesses that do. We only work with people who choose to work freely. We respect the right to equal opportunity, freedom of association and collective bargaining. We’re a signatory to the United Nations Global Compact and we’ve committed to implementing the United Nations Guiding Principles on Business and Human Rights.

In August 2016 we published our first Modern Slavery Act statement. This year’s statement provides an update on our progress over 2016/17 and our plans for further improvements next year 2017/18.

At a glance – what we’ve done this year:

Stronger governance

- Our resourcing contracts now say that candidates must not be charged fees – the employer must pay
- We’ve doubled the number of assessors we use to check suppliers in Asia
- We’ve increased the number of supplier assessments by more than 30 percent compared to 2015/16

Improved awareness

- We’ve engaged with more than 500 suppliers to improve our understanding of modern slavery risks in our supply chain
- We’ve made a video on how to spot modern slavery – 2,600 employee views and reached 2.8 million through social media using the hashtag #Freetheunseen
- We’re changing The Way We Work (our code of ethics) and our training to include human trafficking

Checking our approach

- We’ve reviewed our procurement and due diligence processes to identify improvements
- We’ve shared learning with governments and other companies for new insights
- We’ve increased external validation of our supplier assessments using EcoVadis

Collaboration

- We’ve set up the UK Modern Slavery Helpline and Resource Centre with the charity Unseen
- We held a multi-stakeholder event at the BT Tower with Unseen and law enforcement about the role of technology in tackling modern slavery
- There’s been a competition for innovative solutions to tackle trafficking

BT is a global communications services company

106,400
employees



Fixed line services



Broadband,
TV, Mobile

Networked
IT services

Operates in 180 countries

18,000
suppliers



14.1 billion
annual procurement spend



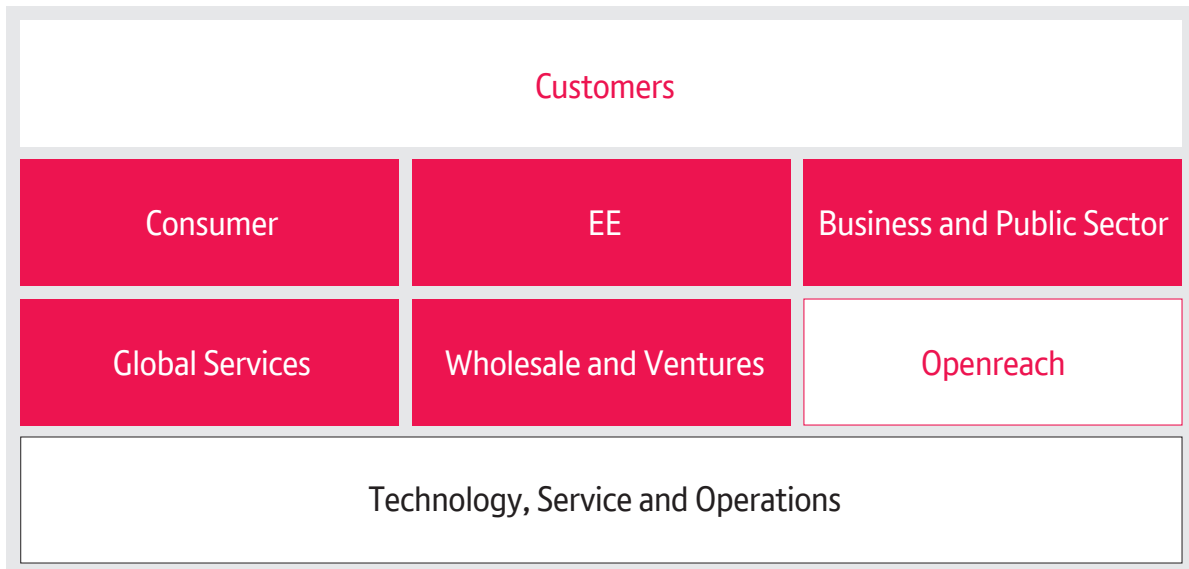
Around 10m residential customers

Our business and supply chain – who we are and what we do

Our business – We’re one of the world’s leading communications services companies. We’re using the power of communications to make a better world. That’s our purpose. To do that, we invest to build and maintain communications networks in the UK and overseas; we develop products and services that run over those networks; and then we sell them to consumers, businesses and the public sector. Our business values reflect the way we go about everything we do – Personal, Simple, Brilliant.

Our core business is in the UK; around 82,800 of our 106,400 people are here. We sell phone, broadband, mobile and TV services to UK customers. And for businesses we offer a variety of communications services ranging from phone and broadband through to complex managed networked IT solutions and cyber security protection. Many public services rely on our technologies. In the UK we help more than 500 other communications providers to serve their own customers.

We’re organised around six customer facing lines of business, with support from an internal service unit:



Our lines of business*

Consumer

We’re the largest provider of consumer fixed-line voice and broadband services in the UK.

EE

We’re the UK’s largest mobile network operator and we also offer fixed broadband and TV.

Business and Public Sector

We sell communications and IT services in the UK and the Republic of Ireland.

Openreach

We build the network that connects Britain’s homes and businesses to the future.

Global Services

We’re a leading global business communications provider, supplying ICT services to 5,500 multinational companies in 180 countries.

Wholesale and Ventures

We help other companies provide fixed or mobile telephony services, as well as running a number of BT’s specialist business units.

Technology, Service and Operations (TSO)

Our internal technology unit is responsible for creating and operating our global networks, platforms and IT systems.

We’re also a global business communications provider, selling IT services to 5,500 multinational companies in 180 countries. Our network outside the UK is described in more detail in our [Annual Report](#). We have companies which are part of the BT Group to help deliver those services. They must stick to our code of ethics and use our centralised procurement and recruitment policies and processes, as long as we own more than 50 per cent. Our companies which have their own Modern Slavery Statements can be [found here](#).

* On 28 July 2017 we announced the creation of a new Consumer business, bringing together BT’s Consumer and EE businesses. The newly combined line of business, effective 1 September 2017, will operate across three distinct brands – BT, EE and Plusnet – and span fixed and mobile networks, consumer products and services, and content.

Our supply chain – our suppliers and procurement process

We buy a vast range of things from network and IT hardware to corporate clothing and waste disposal services. Some of these products and services we use in our own business (like catering) and some we use as part of what we sell to our customers (like IT equipment). We don't make things ourselves so we don't own any factories or manufacturing facilities, nor do we handle raw materials – we rely on our suppliers to do that for us.

Around 18,000 suppliers sell to us and they're based in 150 countries. On top of that, lots of our suppliers have their own suppliers. That creates a very large and complex supply chain. This year we spent £14.1 billion with our suppliers; 65 percent of that is with only 100 of them.

Who are our suppliers?

- Around 14,000 of our suppliers sell to us on an ad hoc basis – 'off the shelf' items or localised services, which are supplies not made specifically for us. These include office supplies, stationery and postal or courier services. They contract with us on our general terms and conditions (which include The Way We Work – see Our Stance on Modern Slavery on page 11).
- A significant part of what we spend is with around 150 global telecommunications providers. We have limited influence with these suppliers. In some cases they contract with us on standard regulated terms and might be the only available supplier in a particular region.
- Many of the other 4,000 suppliers contract with us on our general terms and conditions as well as our [Sourcing with Human Dignity standard](#). In some cases we must use our suppliers' terms, but we always try to include our Sourcing with Human Dignity standard in the contract discussions. These agreements are typically long-term (usually two to five years, sometimes longer).

- Our top 100 of these 4,000 suppliers is where 65 percent of our spend goes. So we're able to build deeper relationships, working closely together to build awareness and capability on a range of sustainability topics within their own operations, including modern slavery.

Although our suppliers are from over 100 countries, 96 percent of what we spend is with suppliers based in low-risk countries. We assess a country's risk by using OECD country classifications. However, we're aware that forced labour is a global issue and we need to remain vigilant, wherever we're buying from.

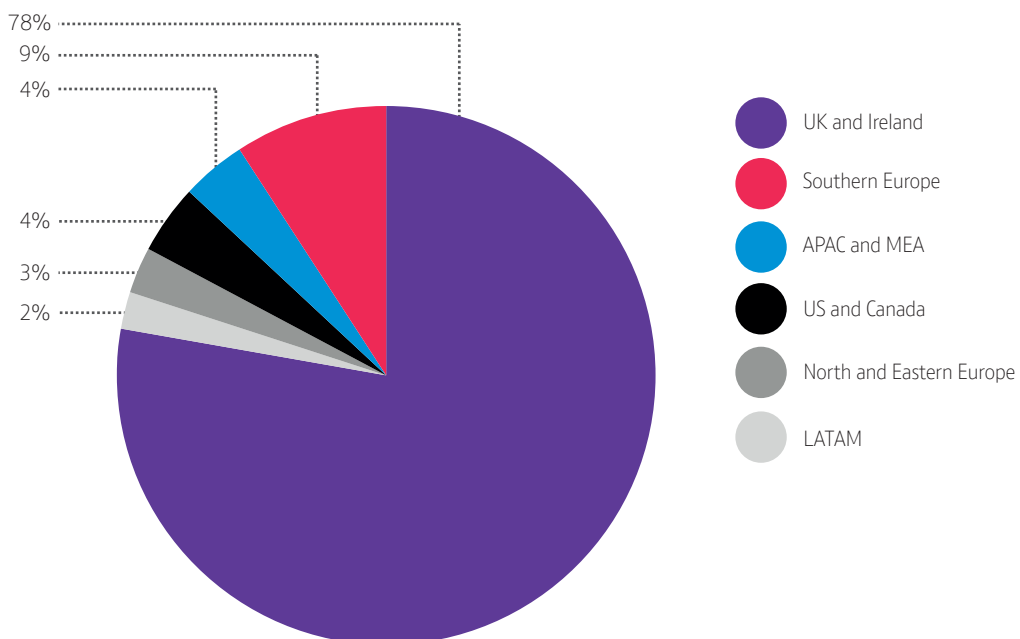


Our buying team

Our global procurement team of 360 people is responsible for buying all the goods and services we use in our business operations around the world. They're based in 27 countries. But they, and all their expenditure with suppliers, is managed centrally by our Group Procurement team which reports to our Chief Procurement Officer based in the UK. That means all our buyers are expected to follow the same policies and processes, wherever they're based.

As part of the integration of EE into the BT family, we've merged the EE and BT procurement teams.

Value of BT supplier spend by region



How we check our supply chain sticks to our standards

We check our potential suppliers before we enter a contract with them. We start by sending an ethical standards questionnaire to all potential new suppliers of higher and medium risk products and services. To decide if a product or service is high or medium risk we consider the country we're sourcing from, and the skill level of the labour force the supplier might use.

We send the questionnaire either through our own procurement portal or from an independent, globally recognised tool called EcoVadis. EE used EcoVadis in its business before it joined the BT group and we're looking to use it more extensively throughout all our procurement.

Once we get responses back, we analyse them and generate a risk score – high, medium or low. This score determines what we do next; it could be as simple as a phone interview to clarify minor concerns or any issues we identified. Or we might arrange a more detailed on-site assessment with one of our procurement team.

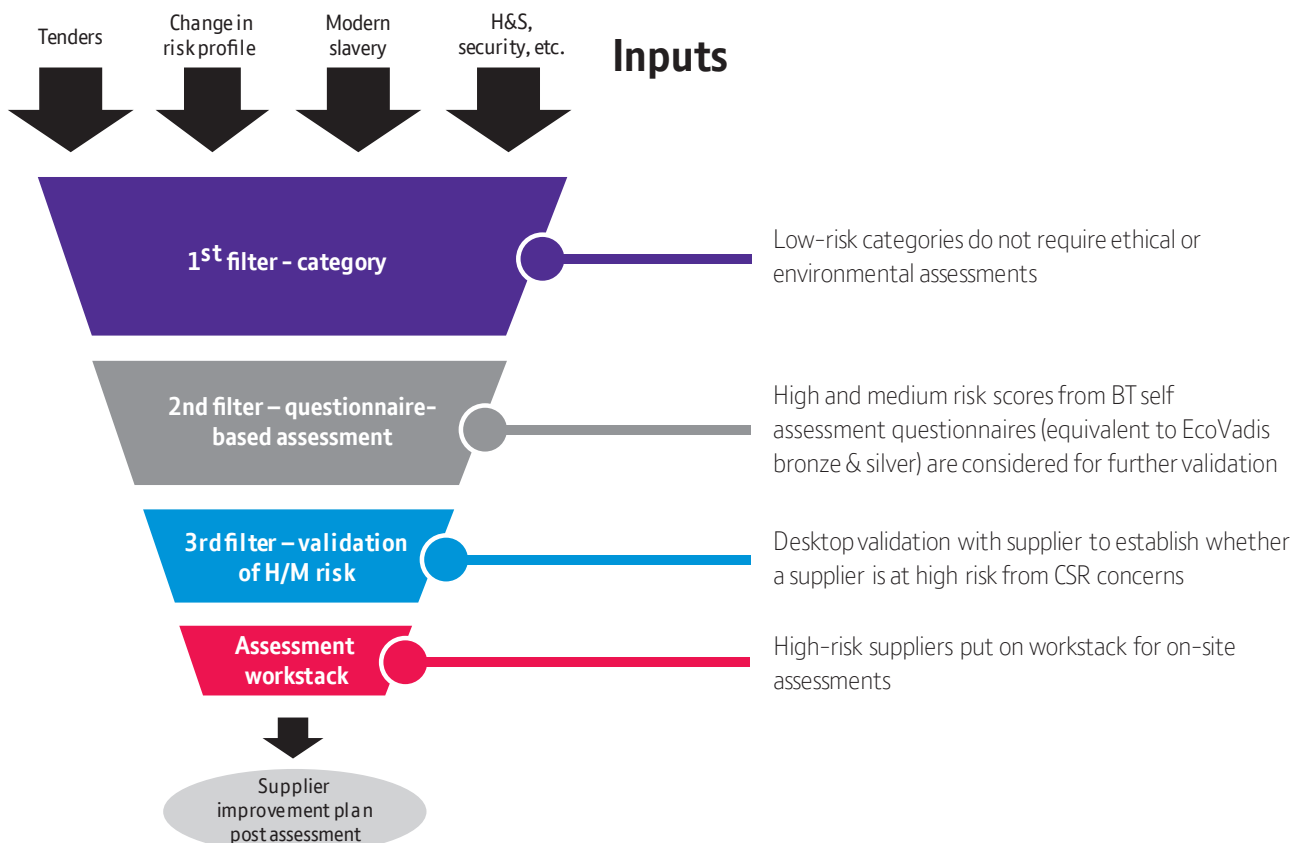
As well as assessments, our assessors play a vital role in building close working relationships with our suppliers around the world, working with them to improve their products and services, and checking they stick to our standards.

When checking for conflict minerals, we use the Conflict-Free Sourcing Initiative template to ask suppliers of applicable – including BT-branded – products, whether their products contain minerals that may have been sourced from the Democratic Republic of the Congo or neighbouring countries.

This helps us avoid minerals from these regions (mainly the 3TG metals: tin, tantalum, tungsten and gold), the mining of which can be used to fund wars and abuse human rights. We also need to show due diligence on this to comply with the US Dodd-Frank Act and our Securities Exchange Commission (SEC) obligations.

See our [conflict minerals disclosure](#) for more details.

Supplier assessments – when are they done?



BT on-site supplier assessments are focused on improvement, and not purely compliance to a given standard.

The assessment process

The diagram below shows the typical phases for on-site supplier assessment:



Our team of assessors use this method when carrying out their assessments.

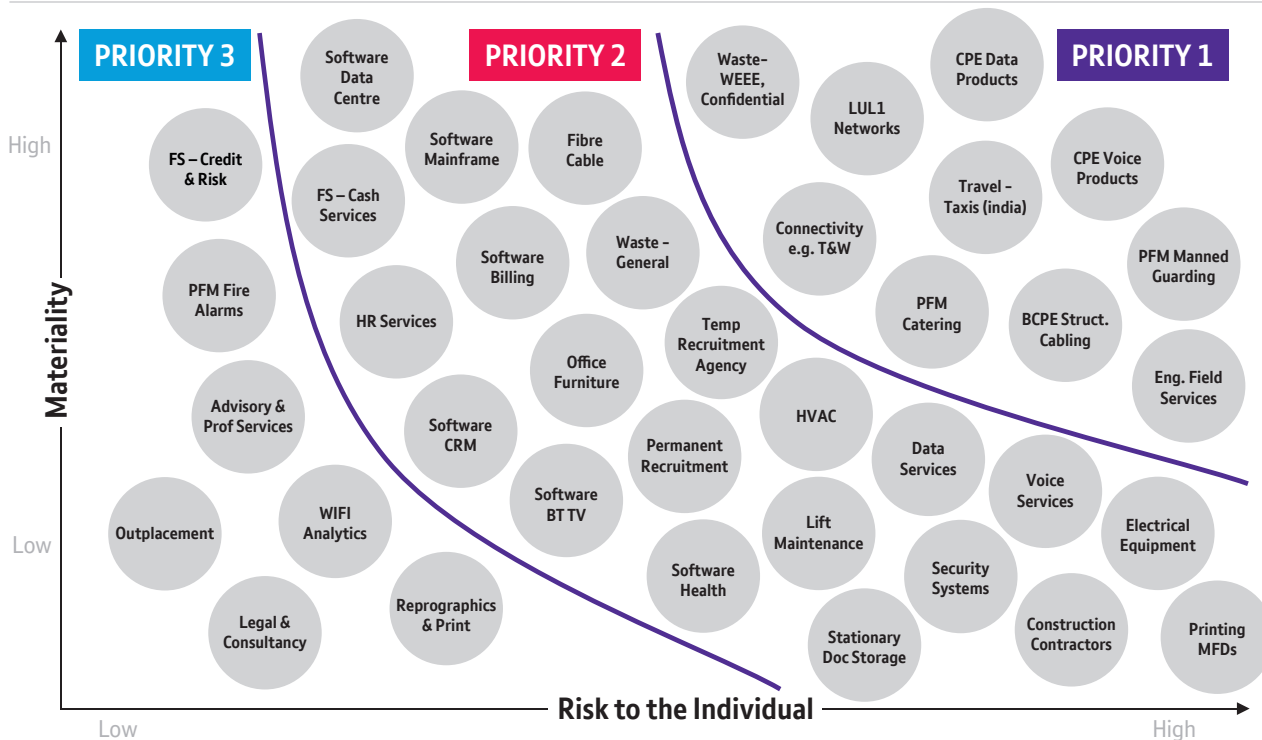
If we uncover any areas of concern, we'll work with the supplier to address the issue directly.

This year we've taken **additional steps** to assess modern slavery risks across existing and new suppliers:

- We did 63 on-site assessments of our higher-risk suppliers this year - an increase of more than 30 percent compared to 2015/16.
- We've amended our Sourcing with Human Dignity standard to strengthen the modern slavery and human trafficking provisions. It now includes more explicit reference to forced or bonded labour and human trafficking.
- We've started the process of amending our supplier Sourcing with Human Dignity questionnaire to see how we can better use questions and language to uncover modern slavery and human trafficking. We're checking our questions and language against other industry standards and expert guidance.



Modern Slavery Act – mapping BT’s categories of spend



We keep our processes under review. In 2014 we looked at our procurement processes as part of an overall human rights review of our UK business and we’re looking again at our supply chain approach in light of the Modern Slavery Act. Some changes have already been made, like updates to our Recruitment Policy and Sourcing with Human Dignity standard; but this is an ongoing, long-term programme.

As an immediate response to the Modern Slavery Act coming into force, we analysed the areas with the highest risk of modern slavery and human trafficking in December 2015. We based our findings on what we were buying from suppliers, and where they were sourcing their products or services from. We used the analysis to prioritise our assessment work for the year.

We expected the highest risks were likely to be in construction and engineering services; in guarding and monitoring services for our properties and infrastructure; the catering and cleaning services used in our business; and the network equipment we buy because it’s manufactured in high-risk areas.

We followed up on these risks by contacting suppliers through email and phone interviews. But some of our assumptions weren’t right. Areas of work which we’d considered low-skilled, were not necessarily so. For example, when visiting manufacturing factories in China producing electronic consumer equipment (like telephones and modems) for us, we found that workers are in high demand with strong competition amongst employers to attract them. In turn, this is driving employers to offer better working conditions. In some of the lower-skilled jobs such as taxi drivers in India, we found that their working conditions were better than we’d anticipated, with contracts of employment, fixed hours of work and good treatment from a number of different employers.

Our employees in India call centres work UK hours so they can be available to provide call centre services for our UK customers. This means that they often leave their offices late at night. Taxi services are provided to take them to and from work. This year we assessed the taxi firms to check they have processes and procedures in place to identify and tackle the risk of modern slavery. We thought that taxi firms could be at higher risk of modern slavery, since they use lower-skilled workers and have to respond to peaks in demand, which may lead them to take on temporary workers. We made some recommendations for improvements: drawing up process documents for their employees, tightening pre-employment security checks, educating their drivers on The Way We Work, and in some cases, paying better attention to the upkeep of vehicles.

Not all assessment outcomes have been positive, however. Where we found activities falling below our standards we’ve addressed the matters directly. We also acknowledge that on-site assessments can only capture issues we see at the time of the visit. Deepening our understanding of modern slavery will help us improve the effectiveness of those assessments and where we need to prioritise our efforts.

Our assessors visited one of our suppliers in Taiwan to do a social and environmental assessment. We found a number of migrant workers from Thailand at the factory. When we spoke with workers and managers we discovered the supplier was withholding the migrant workers’ passports. The supplier’s human resources team claimed to keep workers’ passports for safekeeping and insisted that workers could have them back at any time. Despite their assurances, we required that they change the procedure and they’ve confirmed this. We’ll follow up with another assessment to check.

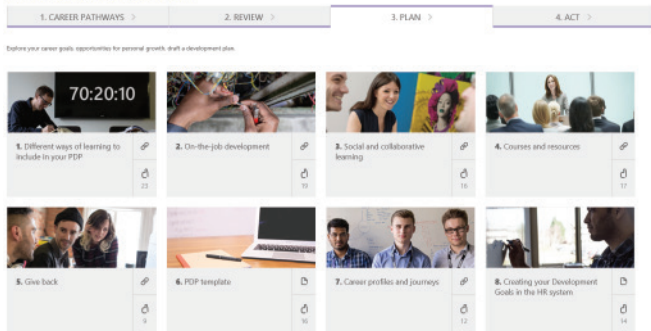
We’ll be repeating our analysis of the areas of our supply chain presenting the biggest risk of modern slavery again next year. We want to check our assumptions and findings as part of our standard processes, so we learn and improve every year. We recognise that the risk of modern slavery and human trafficking is not only complex, but is fast moving and evolving. We want to make sure we stay up-to-date on issues that we need to address.

Our business operations – overview of our people and recruitment

We're one of the largest employers in the UK, with 106,400 employees globally. We work to inspire everyone who works for us to do their very best. We develop our people, engage them and, importantly, listen to everyone that works for us. We do this so we can deliver our purpose and we underpin all of this with our values – Personal, Simple and Brilliant. If we look after our people well, and listen to them, it'll help reduce the chance that modern slavery could be found in our own business operations.

What's it like to work at BT? – we help our people develop capabilities, ways of thinking and values that they need to meet our business needs today and in the future. We set our learning standards high; we keep our approach up-to-date so it reflects what the business needs and supports our strategic direction. We aim to give everyone the training and tools they need to perform, develop and comply with our internal policies, process and the law. Around 25,000 of our people use our interactive Learning Academy website every month.

How can I develop myself in BT?



Our People – 82,800 of our employees are based in the UK. They're made up of a mix of manager and professional roles, engineering, technical, customer facing and some specialist and support roles. Our cleaners, housekeepers, security and ground maintenance people, who work in our buildings, were brought back into a wholly owned BT company in 2012 – Facilities Services.

Agency workers – we work with around 3,200 agency people. They help us with peaks and troughs in our work flow, mainly in customer facing and some specialist roles. We continue to recognise the importance of keeping experience by making almost 1,600 skilled agency people permanent employees this year.

All agency workers covering issues fundamental to our business operations must complete training on The Way We Work, and follow all our other standard processes. They can also access our Speak Up helpline, as well as complaint channels through the agency they work for.

Recruitment – we do around 80 percent of our recruitment in the UK ourselves (the remaining 20 percent is through our agents who we select using our standard procurement processes). We have a recruitment team who use our standard recruitment processes and pre-employment checks. The process is governed by a recruitment policy which all our recruitment team members are expected to follow. We have an online system where all job vacancies are initially logged and at each stage of the process updates are added and approved at appropriate sign-off levels. Once a decision has been made to recruit somebody, the system will generate an employment contract – if all the system gateways have been completed and signed off by the appropriate manager and HR specialist overseeing the job vacancy.

We use recruitment agencies for agency staff and some specialist people recruitment where external expertise is needed, such as project managers and technical specialists. All recruitment agents have to contract with us on our standard procurement terms, including our Sourcing with Human Dignity standard. We have regular review meetings with them, which cover any concerns about agency staff, as well as financial and operational compliance.

We've made a public commitment that 90 percent of our Consumer customer calls will be dealt with in UK and Ireland contact centres. To help meet that target, we've recruited 3,600 new people into customer-facing roles at our UK contact centres.

The final stage of the recruitment process includes a 'right to work' check, where references provided by candidates are checked and the right to work status is verified. This provides a final layer of verification that all our recruitment team are following our procedures.

Outside the UK – our workforce outside the UK is employed by local entities, though many have a reporting or management line into UK-based or Global Services people. That creates further checks and balances to make sure our people are treated consistently, fairly and equally, wherever they're based.

Feedback – we listen to what our people say, so that we can make changes when they're needed. During the year we updated our employee survey Your Say to make it shorter and to feature questions clearly linked to our strategy and values. We include questions asking whether they feel comfortable to speak out and raise risks at BT. We've made our report simpler for managers and their teams to understand so they can easily see what they need to do to improve working life at BT, and improve levels of engagement so we can better serve our customers.

Things that matter to us

Equality - we're a founder member of the Equality & Human Rights Commission Working Forward initiative, and our maternity handbook is being widely used as an example of best practice. Our maternity return rate currently stands well above the industry average.

Women at BT - over 27,000 women work for us, that's 25 percent of our entire workforce. Our management team includes more than 10,000 women, representing 26 percent of the total, while our Board is now 27 percent female, with women accounting for three out of 11 Board members.

Diversity - we've sponsored The Race at Work report that informs the development of our diversity initiatives. We've also appointed a Race Champion to oversee this work and have seen a rise in Black, Asian and Minority Ethnic employees to 12 percent.

Disability - we are a 'Disability Confident' employer and we actively encourage the recruitment, development and retention of disabled people. We'll automatically put an applicant with a disability or long-term health condition, who meets the minimum criteria for a vacancy, through to the first stage of a recruitment process.

Inclusivity - an inclusive culture is fundamental to ensuring our diverse workforce can develop and thrive. We've focused on embedding themes of inclusivity within all our leadership development programmes for senior management teams, with a specific focus on developing diverse future talent.

Wellbeing - the wellbeing of our people is a priority - our wellbeing strategy takes a 'whole person' approach and our mental health toolkit consists of a range of resources available to all our people including self-help information and guidance, training for people managers, an Employee Assistance Programme, Mental Health (Cognitive Behaviour Therapy) service, as well as a team of trained counsellors.

Employee networks - we want to create an environment where our people can feel open about being themselves at work. As part of this, we have a number of different interest groups who have formed networks to create a respectful and supportive working environment.

Contracts - none of our employees is on a zero-hours contract.



How we make sure our people stick to our standards

As a responsible business we do our best to make sure that what we say in our policies is happening in practice. We want to be able to quickly and easily identify the potential risk of modern slavery and human trafficking and respond if we find it. Our approach is overseen by our Governance Framework as described on page 12.

We aim to prevent modern slavery or human trafficking in our business right at the start of our recruitment processes. We have a recruitment policy which aligns with our principles in The Way We Work. Our recruitment team is made up of human resources professionals who all complete mandatory training on The Way We Work, and their work performance standards reflect that they must stick to that code.

We don't charge fees to people joining BT. We wouldn't expect our external agents to either – but this year we've updated our recruitment policy and agency contracts to make it expressly clear.

We'll be updating our internal recruitment policy this year to say that no fees can be charged to candidates directly employed by us, and will extend this to our 'Refer a Friend' recruitment programme. We use this programme as part of our recruitment process to consider applications from people known to employees. A referral in itself doesn't carry any weight in the fair selection process though.

Once people join us, they're expected to live up to our principles in The Way We Work. They complete training on The Way We Work as part of their induction process. We give our people plenty of support, education and training. But if they don't behave ethically at work we

would consider taking disciplinary action against them, which ultimately could lead to dismissal. We disciplined 201 employees in the UK as a result of ethical misconduct this year, and 98 left the company. The most common issues related to using company vehicles inappropriately or falsified records like timesheets. None of the issues related to modern slavery.

We've started discussions to look deeper into our business operations, including recruitment, to consider any parts at risk of slavery and human trafficking. We've identified areas within our operations where we can strengthen our processes, provide additional training, raise awareness and put steps in place to identify risk of modern slavery within our organisation. This is an evolving area of risk tackling a complex, criminal and hidden activity.

This year we've taken **additional steps** to assess modern slavery risks within our business operations:

- We've started a review of our human resources processes and procedures through a modern slavery lens to see whether we need to make changes to address the risk of modern slavery in our business operations.
- We're working with EE to align our recruitment policies and processes and aim to finalise this and report back in next year's statement.
- We're conducting an equal pay and gender pay gap analysis to make sure all our people are treated equally.

Our stance on modern slavery – our policies and contracts

We're committed to doing business ethically and responsibly – in a way that respects our customers, employees, suppliers, their workers and other stakeholders. Since 2000 we've been a signatory to the United Nations Global Compact, which calls on companies to meet fundamental standards on human rights, labour, environment and anti-corruption. We've also committed to implementing the United Nations Guiding Principles on Business and Human Rights, which call on companies to know and show their impacts on people's human rights. We implement these principles through The Way We Work.

Our Code of Business Ethics

We have a long-standing policy that we don't use or accept forced, bonded or involuntary prison labour or child labour; nor do we demand deposits or hold onto our workers' identity papers, or work with businesses that do. We only work with people who choose to work freely. We respect the right to equal opportunity, freedom of association and collective bargaining. Our statement of business practices and values – [The Way We Work](#) – echoes this. It's available in 14 languages. We're in the process of updating it to expressly prohibit human trafficking and workers paying a fee to work for us.

[The Way We Work](#) sets out how we expect BT people to behave. It applies to everyone. It's also the standard we expect from everyone who works on our behalf – including suppliers and contractors. Any subsidiaries in which we hold more than a 50 per cent interest must adopt The Way We Work and integrate it in their business.

[Sourcing with Human Dignity](#) covers freely chosen employment, freedom of association, working conditions, child labour, living wages, working hours, discrimination, regular employment and harsh or inhumane treatment. It is available in eight languages. This year, we've strengthened sections of it to include more explicit references to forced or bonded labour and human trafficking. We communicate changes to these policies, sometimes across the company or to specific groups like our buyers, and more detail about this is in the section called Training on page 12.

[Speak Up](#) our global, confidential helpdesk lets our people speak up about any unethical behaviour. It makes it easy for them to report any wrongdoing or behaviour they think goes against our standards to their manager or our ethics team. It's available on the phone and online, and we promote it with poster campaigns, on our intranet, via internal communications and on our [Selling to BT website](#). And in most countries people can use the helpdesk anonymously (depending on local data protection laws).

When our agency staff work in our buildings, they have access to our intranet and our internal communications they'll be aware of [Speak Up](#) and can easily access it too. For other suppliers we make the information publicly available online.

This year we had 296 concerns raised, none of which related to modern slavery.

Training – helping BT people learn about the issues

Everyone who works for BT has to complete training on The Way We Work when they start. The training must be repeated annually and we monitor the number of people that complete it. We send reminders to those that have training due, because we think it's important that our people take the time to learn about the issues and how they affect their everyday working lives. By the end of March this year, 99.3 percent of BT people (excluding anyone on maternity/paternity or long-term sick leave) had done the training.

The course includes a human rights module which we're updating to more specifically address modern slavery and human trafficking and to run alongside the updates to The Way We Work. We'll place the focus on helping people understand and identify slavery and human trafficking risks, and remind them how they can report any concerns. We'll introduce 'bite-sized' learning, where questions on human rights are emailed directly to employees.

All our buyers have to complete Corporate Social Responsibility and Sustainability Awareness training. This includes learning about our

Sourcing with Human Dignity standard. Back in early 2016, we had knowledge sessions on the Modern Slavery Act with our buyers working with suppliers in higher-risk categories. The focus of the training session was to instruct our buyers on what modern slavery and human trafficking is; where it happens; how to spot signs and mitigate the risk; how we as a team can take steps to seek to ensure that we prevent it happening in our business; and by placing responsibility on each and every employee. We have plans to build on this, making it an annual update session via our in house procurement Academy training facility.

Next year we'll work with the charity Unseen who can provide external training to our teams with the benefit of their specialist knowledge on modern slavery and human trafficking.

Our [modern slavery video](#) was launched to raise awareness amongst all of our employees of the signs to look out for in everyday life which might indicate that modern slavery and human trafficking is taking place.

Measuring how we're doing

Governance

We check how we're measuring up against our business standards – including The Way We Work – in a number of ways:

- Our Human Rights Steering Group meets quarterly to monitor our approach to human rights; it reports into our Operating Committee and Board. This year the Group reviewed our modern slavery programme in response to the Modern Slavery Act.
- We've set up a cross-functional team to look at how we address modern slavery and human trafficking. It's made up of people from legal, governance, compliance, policy, human resources and procurement.
- Our Line of Business Audit and Risk Committees and Regional Governance Committees monitor how many people complete their mandatory training at least quarterly against our targets.
- Mandatory training reports (which include The Way We Work course) go to our Operating Committee and to other parts of our business each month.

Key performance indicators (KPIs)

We're constantly working to improve the way we do things. We've chosen these KPIs because they show how we measure our performance to identifying and addressing the risk of modern slavery and human trafficking in our business operations and supply chain.

- Every year we report publicly on our ethical procurement key performance indicator. It tracks how effective we're being in following up responses to our Sourcing with Human Dignity questionnaire from high and medium-risk suppliers. This year we achieved our key performance indicator of 100 percent follow up, within three months, for all suppliers identified as high or medium risk through our Sourcing with Human Dignity questionnaire.
- We track the number of Speak Up reports every year and our measures of employees' awareness of ethical issues.
- Every BT employee has a chance twice a year, to feed back their own experience of working with us in our anonymous employee survey 'Your Say'. This year around 86 per cent of employees responded. Results are used to drive employee engagement addressing key priorities which are raised by our employees themselves.
- Our independent internal audit team assessed our modern slavery commitments and governance. They have made recommendations to improve our processes, risk identification and governance for modern slavery issues.
- We ran an exercise for senior executives across different parts of our business to test our response to an allegation of forced labour in our supply chain. The exercise identified actions to help us develop our response procedures and policies.

Collaboration

This year we set up the UK's [Modern Slavery Helpline and Resource Centre](#) with Unseen – a UK charity focussing on tackling modern slavery. The helpline is there 24 hours a day, every day, on **08000 121 700** for people to report a suspicion, get help or seek advice and information. The many hundreds of calls it's had since opening related to over 2,000 potential victims.

Low public awareness of the signs of slavery and what to do when you spot it are key challenges in tackling modern slavery. We worked with Unseen to create a [short video](#) to explain these signs and promote the helpline. We shared the video and a factsheet to encourage all BT employees to get involved in the fight against modern slavery. Over 2,600 have viewed it this year.

We're working with the police to explore how technology can play a bigger role in supporting their efforts to respond to this crime.

Innovation has an important part to play in providing effective solutions. Together with the UK Government's Cabinet Office and TechHub we ran a [competition](#) to identify promising and innovative solutions to help law enforcement.

Broader technology industry collaboration is vital to scale up efforts, share best practice and work together to disrupt modern slavery. This year we planned a summit to bring together experts from tech companies, governments, NGOs and academia to explore the role of technology to tackle modern slavery. The summit took place outside this year's reporting period – we'll give a full update next year. The report on the summit is available [here](#). We also discussed business best practice on modern slavery at regional, national and international multi-stakeholder events.



Plans to strengthen our approach

Our plans for 2017/18:

Stronger governance

- Strengthen our pre-contract supplier questionnaire and evaluation criteria
- Further improve our Sourcing with Human Dignity standard
- Finalise the changes to The Way We Work
- Update our internal recruitment policy

Improve awareness

- Train our internal recruitment team on modern slavery
- Launch an improved The Way We Work training to better address modern slavery
- Scope a modern slavery module on our Academy Learning platform

Collaboration

- Bring together technology companies and law enforcement to tackle human trafficking
- Use our Better Future Supplier Forum approach to engage industry partners on potential collaborative programmes which could help in the fight against modern slavery and human trafficking

Check our approach

- Benchmark our procurement processes against industry standards
- Review and update our 2015 modern slavery risk methodology with external experts
- Review and improve our tracking and monitoring of on-site supplier assessments
- Further develop our KPIs on modern slavery

This statement covers 1 April 2016 to 31 March 2017 and has been approved by the board of British Telecommunications plc.

A handwritten signature in black ink that reads "Sean Williams".

Sean Williams
Director

August 2017