

BT Group Supplier Environmental Standard (SES)

Purpose

BT Group is one of the world's leading communication services companies. Our purpose is as simple as it is ambitious: we connect for good.

We are committed to maintaining the highest ethical standards and behaviors in everything we do, and we expect everyone working for, with, or on behalf of BT to do the right thing and make the right choices. We do not tolerate improper business conduct of any sort. [Being trusted: our code - Our company - About BT | BT Plc.](#)

We are committed to protecting our natural environment and resources, delivering against the UN Sustainable Development Goals, achieving our Net Zero targets and our commitments to UN Global Compact. [The SDGs Explained for Business | UN Global Compact](#)

Our suppliers including our contractors and service providers (herein after, 'Suppliers') who supply goods, software, or services to the BT Group ("BT"), including Openreach, EE and Plusnet play a critical role in helping us to achieve our environmental commitments.

This standard therefore outlines our expectations and requirements for Suppliers to commit to environmental responsibility and drive improvements to reduce their impact on the planet.

BT values our supplier relationships and is committed to working with, and supporting, our Suppliers to reduce their environmental impacts. Each Supplier's performance and adherence to this environmental standard is an important and integral part of the value chain for BT and any non-compliances or deviations from this standard are unacceptable and may jeopardise the Suppliers relationship with BT. Compliance with this standard is evaluated throughout the BT procurement process including supplier onboarding.

Suppliers are required to report a non-compliance with this standard as soon as possible and in any event, within 72 hours of discovery. Suppliers may report non-compliance in a number of ways such as contacting the BT Operational lead managing the supplier relationship, to BT Sourced or by using our confidential BT Speak Up Hotline, details for which can be found on the Selling to BT website

https://grouplextranet.bt.com/selling2bt/articles/bt_expectations/speak_up.html

Requirements for BT Suppliers

1. Legal Compliance, reporting and assurance

Suppliers must comply with local, national, and international laws as applicable to them and the territory in which the product or service is to be provided. Where local laws or regulation impose stricter requirements than international regulation, Suppliers should comply with those stricter requirements. Should there be any uncertainty around environmental risks and

impacts, then the Precautionary and Preventive Principle should be followed. The Precautionary and Preventive Principle enables decision-makers to adopt precautionary measures when there is limited scientific evidence about an environmental or human health hazards or impacts.

A list of widely relevant UK /GB and EU laws are highlighted in Appendix A which our Suppliers must comply with. Kindly note that this is not an exhaustive list. It also includes EU Environmental Policy which is based on Article 191 of the Treaty on the Functioning of the European Union (including the “Precautionary and Preventive Principle”). There could be other laws relevant to your specific location or context, that you must still comply with.

Suppliers must be transparent and honest with BT about areas that require improvement or where they are not meeting expectations and compliance requirements and should monitor and report on these immediately to BT and in any event, within 72 hours of discovery.

Suppliers must obtain and comply with all required environmental permits and licenses. Suppliers must comply with the reporting and retention requirements of applicable permits and update the permits as required.

Regular monitoring of environmental impacts, legal compliance and progress on goals and targets is mandatory as part of any effective Environmental Management System (EMS) and BT will require reports and data on these from Suppliers as necessary to ensure compliance with BT’s mandatory reporting requirements.

BT shall have the right to conduct environmental audits on the Suppliers’ facilities, as well as relevant tiered level suppliers, operations, and records. The Supplier will provide the necessary access and information in a timely manner and must not unreasonably delay or interfere with BT’s right to conduct an effective audit.

2. Environmental Policy, Managing Impacts and setting own goals.

We require Suppliers to protect our natural environment and resources and commit and deliver against the UN Sustainable Development Goals and the UN Global Compact.

BT Suppliers must have an environmental policy that sets out their commitment and goals to environmental protection. Suppliers must also have in place a suitable and appropriate Environmental Management System such as ISO14001 to manage their environmental impacts and must also conduct the necessary environmental due diligence across your own value chain, including your supply chain.

Suppliers are expected to train and educate their employees on environmental impacts and their commitments and goals to protect the environment. Suppliers must also engage with and set expectations of their own suppliers regarding environmental protection commitments.

3. Product Stewardship

For BT, Product Stewardship is about making sure that the products we buy, use and sell are safe, comply with product legislation and have the lowest possible impact on the environment.

This means minimising their environmental impact throughout their life – from when, where and how they are sourced, made, used, recycled or disposed of.

It is our aim to work with suppliers in the design and use of products to:

- Minimise the materials and energy consumed throughout their lifecycle (during manufacture, use and disposal).
- Reduce the use of hazardous materials.
- Enable their reuse, recycling and safe disposal at end of life.

Suppliers must ensure all products comply with all relevant laws and standards applicable both locally and in any jurisdiction in which the product or service is to be supplied.

Suppliers must ensure records on compliance with legislation are maintained in line with the relevant statutory retention periods and readily available for inspection by BT, if required.

All legal non-compliances must be reported to BT as soon as possible after the Supplier becomes aware of the non-compliance together with a mitigation plan of action.

The supplier must complete all Product Stewardship questions included in the BT supplier onboarding process to the satisfaction of BT. For suppliers of electronic and electrical products, the Product Stewardship related questions are mandatory. Responses to these questions enable BT to assess suppliers' compliance with environmental legislation in Europe and equivalent laws around the world. It also gives us clear visibility of the presence of conflict minerals, Substances of Very High Concern and energy use of the products globally which in turn will drive informed decision making when selecting products for BT.

4. Managing Waste/ Hazardous Waste and Chemicals/ Hazardous Chemicals

Suppliers must comply with all local, national, and international legislation relating to the manufacturing, handling, transportation and storage of chemicals/hazardous chemicals, waste/ hazardous waste, and products in connection with the provision of goods or services.

Monitoring reports and records on compliance with legislation and management of chemicals/hazardous chemicals and waste/hazardous waste and products should be maintained in line with the relevant statutory retention periods and readily available for inspection by BT, if required.

All legal non-compliances should be reported to BT as soon as possible after the Supplier becomes aware of the non-compliance together with a mitigation plan of action.

5. Climate Change

BT is strongly committed to addressing the challenge of climate change, as per our Climate Change Standard on our selling to BT website. Thus, all BT Suppliers are encouraged to do the following:

- Conduct a climate risk assessment to understand and manage the impacts and risks to the Supplier's own organisation and across its value chain.
- Commit to decreasing carbon emissions which includes:
 - Setting a 1.5C aligned science-based target.
 - Making targets public by publishing it on their company webpage, annual report, or similar.
 - Reporting progress towards meeting the target on an annual basis including reporting to [CDP](#).
- Engage with their own suppliers on climate action and carbon reduction.

Where applicable, Suppliers should also be able to provide product level emission via LCA (Life-cycle Assessments) or PCF (Product Carbon Footprint) (as guided by ISO 14040 and ISO 14067 standard) to BT on request. This enables Suppliers to more accurately monitor and track product level emissions, highlighting hotspots for future product improvements such as improved material efficiency or increased recycled content.

6. Circular economy and resource use

Our Suppliers are required to commit and show progress towards a more circular business model which means keeping resources in use as long as possible, extracting maximum value from them, minimizing waste, and promoting resource efficiency within their value chains. The following areas should be explored by Suppliers as part of their commitment:

- Reducing the use of virgin raw materials and use more products/materials that have been designed to be recycled.
- Extending the lifespan and use of products by redesigning products and extending the period of maintenance and support.
- Reusing, recycling and refurbishing products, equipment, and materials where possible with the aim of reducing and eliminating landfill waste
- Improving energy and resource efficiency and reducing the environmental impact of products, equipment, and materials.
- Provide a 'takeback' or recycling schemes to BT and/or it's customers if applicable and agreed as part of contract with BT.

Where applicable, suppliers are required to provide a weight breakdown of materials used in products and packaging, and the source type of those materials. This will let us identify resource improvement areas, opportunities to increase recycled content and low-carbon alternative materials.

We also encourage Suppliers to eliminate plastic use completely through redesign or finding sustainable alternatives and support our aims as outlined in our [BT Approach to Plastics](#) to

reduce the environmental impact from plastics, which has a negative impact on biodiversity on land and at sea in addition to being a major source of global greenhouse gas emissions.

7. Energy consumption and labelling

Suppliers are required to work towards improving energy efficiency and eco design in their value chain to minimise their environmental footprint towards reduced environmental impacts of their products, supplies, and services. Energy consumption, together with its associated carbon emissions, is BT Group's most significant environmental impact. We address this key issue through our Energy Management System which is certified to ISO 50001. Suppliers must also have in place a suitable and appropriate Energy Management System such as ISO50001.

Suppliers must ensure that energy related products/supplies must meet specific measures related to energy usage as set out in applicable legislation. Products must have supported technical documentation to demonstrate compliance.

A Declaration of Conformity must be provided when required by statute and/or BT, along with the correct and consistent energy labelling.

8. Sourcing of Minerals and Critical Raw Materials

BT is committed to the responsible sourcing of minerals and critical raw materials used to provide our products and services.

The sourcing of certain minerals and critical raw materials can be a significant human rights risk and/or cause significant environmental damage. Suppliers must ensure their minerals and critical raw materials are sourced responsibly and that their supply chains do not help to fund armed conflict or other illegal practices. Where possible, minerals and critical raw materials should be sourced using techniques that have a lower environmental impact or sourced from a site that has a rehabilitation program. Where appropriate, use of virgin materials should be avoided, prioritising the re-use of pre-existing materials.

Suppliers must only provide BT with products made from materials, including constituent minerals, that are sourced responsibly. Materials should be verified as "conflict free" in line with relevant [OECD guidelines](#). Suppliers must provide supporting data on their mineral supply chain upon request. Where a material's chain of custody is categorised as "indeterminable" or unknown, the Supplier must either commit to obtaining the necessary certifications or phase out the use of that material.

9. Protecting Nature, Biodiversity and Forests

The supplier shall conduct the necessary environmental impact assessments as well as assess their nature related dependencies to identify and reduce the negative impacts on nature and biodiversity of its operational activities and of the products or services they provide to BT.

All regulatory environmental impact assessments and permits must be obtained, maintained, and kept updated by the Supplier, and the Supplier must comply with their operational compliance and reporting requirements.

Due to growing global demand for timber and timber products, combined with governance deficiencies in some timber-producing countries, illegal logging has become a significant concern.

Illegal logging contributes to deforestation, forest degradation, biodiversity loss, and undermines sustainable forest management. Suppliers must ensure that timber is responsibly sourced by verifying the legality of timber and timber products, encourage and promote sustainable harvesting practices and timber trade.

All legal non-compliances should be reported to BT as soon as possible together with the mitigation plan of action.

10. Water consumption and pollution

Suppliers must seek to reduce their water usage and implement water-efficient technologies and practices as well as consider water usage in the procurement of new equipment and services.

Suppliers are required to commit to safe drinking water quality and provide adequate sanitation and hygiene (WASH) practices in the workplace. All water consumption and discharge licenses, permits and authorisations (e.g., for contaminated water/sewage discharge monitoring) must be obtained, maintained, and kept updated by the Supplier, and the Supplier must comply with their operational compliance and reporting requirements. The Supplier must ensure that water pollution and contamination is prevented, regularly inspect and maintain infrastructure, follow incident and remediation procedures when pollution incidents (such as oil spills) occur and engage with environmental regulators, as appropriate.

All incidents and legal non-compliances should be reported to BT, together with proposals in terms of mitigation/remediation as soon as possible and in any event, by no later than 72 hours post discovery.

11. Air Emissions

Suppliers must reduce and manage particulate matter as well as other gaseous emissions (for example Sulphur dioxide (SO₂), Nitrogen dioxide (NO₂) and oxides of nitrogen (NO_x), Particulate matter (PM₁₀ and PM_{2.5}), Lead, Benzene, Carbon monoxide (CO), Ozone, Arsenic, cadmium, nickel, mercury, benzo(a)pyrene, and other polycyclic aromatic hydrocarbons), comply with the appropriate permits and authorisations and with their local, national and international legislation as applicable.

Monitoring reports and records on compliance with legislation and management of particulate and gaseous emissions should be maintained in line with the relevant statutory retention periods and be readily available for inspection by BT, if required.

All legal non-compliances should be reported to BT as soon as possible together with the mitigation plan of action.

APPENDIX A – Legal and standards/reporting requirements

A list of widely relevant UK / GB and EU laws is highlighted below which our Suppliers are expected to be aware of and comply with. Kindly note that this is not a definitive list as there could be other laws that may apply to your specific location or context that are not included in this list, that you will still need to comply with. Suppliers must also ensure that they are aware of and comply with all applicable Codes of Practice, and any new and changes to existing laws.

| Environmental focus areas | Legislation Requirements in the EU and UK and other important standards/reporting requirements that are applicable to BT Suppliers |
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| Waste/Hazardous waste and Chemicals/Hazardous Chemicals | Environmental Protection Act 1990 (GB). The Waste (Scotland) Regulations 2011. The Waste Duty of Care: Code of Practice - England and Wales. Hazardous Waste (England and Wales) Regulations 2005 (England and Wales). EU Waste Framework Directive 2008. Batteries and Accumulators Directive EU 2006/66/EC as implemented in the UK by the Batteries and Accumulators (Placing on the Market) Regulations 2008 and The Waste Batteries and Accumulators Regulations 2009. 'WEEE' - Waste Electronic and Electrical Equipment EU Directive 2002/96/EC – as recast Directive 2012/19/EU and implemented into the UK by The Waste Electrical and Electronic Equipment Regulations 2013. |

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| | <p>‘RoHS’ - EU Restriction of Hazardous Substances Directive (Hazardous substance e.g. lead, cadmium, mercury etc) as implemented in the UK by The Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment Regulations 2012.</p> <p>‘REACH’ EU Regulation 1907/2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals.</p> <p>‘UK REACH’ - Registration, Evaluation, Authorisation, and Restriction of Chemicals</p> <p>– as retained EU law and amended in GB in relation to the majority of chemical substances manufactured in or imported into Great Britain.</p> <p>Persistent Organic Pollutants Regulation 2019/1021/EU.</p> <p>CE Marking Directive EU 93/68/EEC and UKCA requirements.</p> <p>EU Regulation on fluorinated greenhouse gases (EU) 2024/573.</p> <p>Fluorinated Greenhouse Gases Regulations 2015 (UK).</p> <p>EU Regulation on substances that deplete the ozone layer (EU) 2024/590.</p> <p>The Ozone-Depleting Substances Regulations 2015 (UK).</p> <p>Carriage of Dangerous Goods and Use of Transportable Pressure Equipment Regulations UK (CDG Regulations).</p> <p>EU CSRD (Corporate Sustainable Reporting Directive).</p> <p>EU CSDDD (Corporate Sustainability Due Diligence Directive).</p> |
| Climate Change | <p>EU Regulation on fluorinated greenhouse gases (EU) 2024/573.</p> <p>Fluorinated Greenhouse Gases Regulations 2015 (UK).</p> <p>EU Regulation on substances that deplete the ozone layer (EU) 2024/590.</p> <p>The Ozone-Depleting Substances Regulations 2015 (UK).</p> <p>Industrial Emissions Directive 2010/75/EU – as implemented in the England and Wales by the Environmental Permitting (England and Wales) Regulations 2016 and Scotland by the Pollution Prevention and Control (Scotland) Regulations 2012.</p> <p>EU CSRD (Corporate Sustainable Reporting Directive).</p> <p>EU CSDDD (Corporate Sustainability Due Diligence Directive).</p> <p>Task Force on Climate-related Financial Disclosure (TCFD) reporting requirements</p> <p>UK BEIS (Business, Energy & Industrial Strategy) mandatory reporting for UK companies on climate related financial disclosures.</p> <p>EU Taxonomy Regulation 2020/852/EU - contribution to sustainable economic activities.</p> <p>CDP reporting.</p> <p>ISSB (International Sustainability Standard Board) - IFSR S1 and S2.</p> <p>SBTi Corporate Net-Zero Standard.</p> <p>SBTi Corporate Near-Term Criteria.</p> |

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| Circular economy and resource use | <p>EU CSRD (Corporate Sustainable Reporting Directive).</p> <p>EU CSDDD (Corporate Sustainability Due Diligence Directive).</p> <p>EU Circular Economy Action Plan.</p> <p>EU Ecolabel regulation.</p> <p>UK Circular Economy package.</p> <p>EU Critical Raw Materials Act.</p> <p>The Packaging and Packaging Waste Directive EU.</p> <p>PPT – Plastic packaging Tax UK.</p> |
| Energy consumption and labelling | <p>Eco-design requirements for energy-related products (EU).</p> <p>Ecodesign for Energy-Related Products Regulation UK.</p> <p>Energy Labelling Regulation 2017/1369/EC.</p> <p>Energy Labelling Regulation UK.</p> <p>EU CSRD (Corporate Sustainable Reporting Directive).</p> <p>EU CSDDD (Corporate Sustainability Due Diligence Directive).</p> |
| Sourcing of Minerals/Critical Raw Materials | <p>EU Conflict Minerals Regulation.</p> <p>European Critical Raw Materials Act.</p> <p>EU CSRD (Corporate Sustainable Reporting Directive).</p> <p>EU CSDDD (Corporate Sustainability Due Diligence Directive).</p> |
| Nature and Biodiversity | <p>The Environment Act 2021 (UK).</p> <p>Conservation of Natural Habitats & Species (UK).</p> <p>Environmental Impact Assessment (UK).</p> <p>TNFD - Taskforce on Nature Related Financial Disclosures (voluntary).</p> <p>EU CSRD (Corporate Sustainable Reporting Directive).</p> <p>EU CSDDD (Corporate Sustainability Due Diligence Directive).</p> |
| Forests /Deforestation | <p>The Timber and Timber Products Placing on the Market Regulations (UKTR)-Great Britain.</p> <p>EU Regulation on deforestation-free supply chains.</p> <p>EU CSRD (Corporate Sustainable Reporting Directive).</p> <p>EU CSDDD (Corporate Sustainability Due Diligence Directive).</p> |
| Water consumption and pollution | <p>The Water Environment (WFD) England and Wales Regs 2017.</p> <p>The Environment Act 2021 (UK).</p> <p>EU CSRD (Corporate Sustainable Reporting Directive).</p> <p>EU CSDDD (Corporate Sustainability Due Diligence Directive).</p> |
| Air Emissions | <p>The Environment Act 2021 (UK) - (particulate matter).</p> <p>Air Quality Standards Regulations 2010 UK.</p> <p>EU Air Quality Standards from EU Ambient Air Quality Directive.</p> <p>Fluorinated Greenhouse Gases Regulations 2015.</p> <p>EU CSRD (Corporate Sustainable Reporting Directive).</p> <p>EU CSDDD (Corporate Sustainability Due Diligence Directive).</p> |

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| Other important international commitments and BT Group policies and standards | Commitments to UN SDGs. Commitments to UN Global Compact. UNFCCC Paris Agreement. OECD Due Diligence Guidance for Responsible Business Conduct (DDG). OECD Guidelines for Multinational Enterprises on Responsible Business Conduct. EU Environmental Policy which is based on Article 191 of the Treaty on the Functioning of the European Union (Precautionary Principle). BT Group related environmental policies and standards. ISO 14001, Environmental Management System requirements as needed. |
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